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CIS Legislative & Regulatory Documents, Feb-Mar 1995

95P50081

[FBIS Media Note] The following is a listing of economic legislation recently published in the press of the Commonwealth of Independent States. Citations followed by the notation "Translated" have been translated into English and are available in FBIS publications.

RUSSIA

Abbreviated version of draft federal law on free economic zones. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Feb 95 p 6)

Federal Law No. 11-FZ "On Funding State Expenditures Out of the Federal Budget in the First Quarter of 1995." (Moscow ROSSIYSKAYA GAZETA in Russian 4 Feb 95 p 4) Translated.

Federal Law No. 15-FZ "On Communications." (Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 95 pp 9, 10) Translated.

Federal Law No. 24-FZ "On Information, Information Technology, and Information Security." (Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 95 pp 11, 12) Translated.

Federal Law No. 25-FZ "On the Special Tax on Enterprises, Institutions, and Organizations Providing Financial Support for the Most Important Sectors of the Russian Federation National Economy and Ensuring the Stable Work of Enterprises in Those Sectors." (Moscow ROSSIYSKAYA GAZETA in Russian 25 Feb 95 p 1) Translated.

Federal Law on changes to article 163-1 of Code of Labor Laws of the Russian Federation. (Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 95 p 13)

Presidential edict "On Second Stage of Privatization in the City of Moscow." (Moscow ROSSIYSKAYA GAZETA in Russian 9 Feb 95 p 5) Translated.

Presidential edict No. 220 "On Certain Measures to Ensure State Regulation of Natural Monopolies in the Russian Federation." (Moscow ITAR-TASS World Service in Russian 0959 GMT 1 Mar 95) Translated.

Presidential edict No. 221 on State Price Regulation. (Moscow ITAR-TASS World Service in Russian 1003 GMT 1 Mar 95) Translated.

Presidential edict No. 226 "On Measures to Strengthen Financial Discipline in the Execution of the Federal Budget." (Moscow ITAR-TASS World Service in Russian 0958 GMT 1 Mar 95) Translated.

Presidential edict No. 244 "On Deeming Null and Void and Repealing Decisions by the President of the Russian Federation Regarding the Granting of Customs Concessions." (Moscow ROSSIYSKAYA GAZETA in Russian 10 Mar 95 p 3) Translated.

Presidential edict No. 245 "On Basic Principles for Implementing Foreign Trade Activity in the Russian Federation." (Moscow ROSSIYSKAYA GAZETA in Russian 10 Mar 95 p 3) Translated.

Government decree No. 78 "On Urgent Measures to Prevent the Forgery of Securities in Use in the Russian Federation." (Moscow ROSSIYSKAYA GAZETA in Russian 2 Feb 95 p 9) Translated.

Government decree No. 94 "On the Interdepartmental Commission to Regulate the Questions Associated With the Utilization of the System of Main Oil Pipelines, Petroleum Product Pipelines, and Sea Terminals for the Export of Petroleum and Petroleum Products Beyond Russian Federation Customs Territory." (Moscow ROSSIYSKAYA GAZETA in Russian 4 Feb 95 p 4) Translated.

Government decree No. 124 "On the Temporary Application of the Agreement Between the Russian Federation Government and the U.S. Government on a Procedure for the Customs Registration and Duty- Free Importation of Goods Transferred Within the Framework of Russian-U.S. Cooperation in the Sphere of Space Research and Its Utilization for Peaceful Purposes." (Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 95 p 9) Translated.

Government decree No. 147 partially amending export duty rates on some goods. (Moscow ROSSIYSKAYA GAZETA in Russian 4 Mar 95 p 4) Translation in progress.

Government decree No. 177 "On a Partial Change in the List of Strategically Important Raw Materials Which Were Exported in 1994 by Enterprises and Organizations Registered by the Russian Federation Ministry of Foreign Economic Relations for These Purposes." Includes List of Commodities Excluded from the List of Strategically Important Raw Materials Exported in 1994. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Mar 95 p 16) Translated.

Government decree No. 189 on Increase of Wage Rages for Workers in Budget-funded Sectors. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Mar 95 p 1) Translation in progress.

Government decree No. 1446 "On the Export of Oil and Petroleum Products Beyond the Russian Customs Area From 1 January 1995." (Moscow ROSSIYSKAYA GAZETA in Russian 4 Feb 95 p 4) Translated.

Government decree No. 1472 "On Introducing Changes and Amendments Into Certain Decrees of the Russian Federation Government in the Sphere of State Regulation of Export of Goods and Services." (Moscow ROSSIYSKAYA GAZETA in Russian 4 Feb 95 p 4) Translated.

Government directive No. 68-R "On the Commission to Analyze Proposals for Repealing Nonfiscal Normative Acts." (Moscow ROSSIYSKAYA GAZETA in Russian 2 Feb 95 First Edition p 15) Translated.

State Customs Committee order No. 698 "On the Customs Escorting of Goods." (Moscow ROSSIYSKAYA GAZETA in Russian 4 Mar 95 p 5) Translated.

State Tax Service letter "Amendments and Supplements No. 12 to the State Tax Service Instructions of 6 March 1992 No. 4 'On the Procedure for Calculating and Paying Into the Budget Taxes on the Income of Enterprises and Organizations.'" (Moscow PRAVO I EKONOMIKA in Russian No. 7, 22 Feb 95 p 5/37)

Program for Aiding the Formation of Financial Industrial Groups. (Moscow DELOVOY MIR in Russian 8 Feb 95 p 6)

List of Customs Points of Entry and Customs Posts, Through Which the Import onto the Territory of the Russian Federation of Dutiable Goods, Bearing Stamps, Is Permitted. (Moscow PRAVO I EKONOMIKA in Russian No. 5, 8 Feb 95 p 11/29)

KAZAKHSTAN

Presidential edict "On Measures to Increase the Efficiency of State Administration and Reglation of Processes of the Attraction of Foreign Capital to the Economy of the Republic of Kazakhstan." (Almaty EKSPRESS-K in Russian 8 Feb 95 p 4) Translated.

UKRAINE

Presidential edict "On Regulating Barter (Merchandise-Swapping) Operations in the Sector of Foreign Economic Activities." (Kiev HOLOS UKRAYINY in Ukrainian 7 Feb 95 p 13) Translated.

CIS Security Aides Agree on Major Crime Crackdown

MM2003161595 Moscow ROSSIYSKAYA GAZETA in Russian 18 Mar 95 First Edition p 2

["Own information" report: "Trap for Mafiosi"]

[FBIS Translated Text] An event has occurred in the suburbs of Moscow which could turn a page in relations between Russia and its former brothers and sisters. The leaders of the CIS states' security organs have gathered here.

Unlike the security services, the criminal element has remained true to international principles, and this has straightaway given it enormous advantages. While the guardians of the law have been jealously guarding the purity of national doctrines, the criminal elte has made nests for itself in every conceivable corner and, after committing crimes in the Orthodox world, have immediately been able to hide behind border redoubts among their Muslim neighbors.

As practiced professionals, the staffers of the security services perceived earlier and more acutely than the politicians that you can only conquer organized crime with a higher degree of organization in your own ranks. The initiative of the Russian Federal Counterintelligence Service to pool efforts was unanimously supported by all the other CIS partners. The conference resulted in the signing of a Final Document, which was cemented by 12 authorized signatures. A secretariat will function constantly, and Moscow has been designated as its location.

Baltic, North European Experts Discuss Unified Energy Grid

WS1603095695 Tallinn ETA in English 1822 GMT 15 Mar 95

["News Release"]

[FBIS Transcribed Text] Energy experts of the Baltic Sea countries—the Baltic states, Finland, Sweden, Poland, Germany, Denmark, Norway and Russia—met in Tallinn on Tuesday, March 14, to discuss the integration of the Baltic states' energy system in the European Union and the building of the so-called "Baltic Circle" around the Baltic Sea. Integration means for Estonia that the energy system must be upgraded to meet the European standards, Economy Ministry chancellor Arvi Hamburg explained. Tuesday's meeting concerned primarily thee technical aspects of the integration and the necessary investments. Integration into EU would provide Estonia with free transit of energy resources within the Union and improve the opportunities of business, Hamburg stressed.

The other issue discussed concerned the proposed "Baltic Circle"—a network of power transmission lines around the Baltic Sea. The planned network would guarantee an optimum load of power lines and a reserve of energy production. The project is to be implemented by the year 2000, but the preparations are to start as soon as in 1996. Most of the countries around the Baltic Sea are already linked and only an underwater cable between Estonia and Finland and a power line between Lithuania and Poland must be completed. Head of the Baltic states energy network control centre "Baltija" Vilis Kreslins stressed that there must be definite economic interest to realise the project. A declaration to that effect was approved at the meeting. Next meeting of the Baltic energy experts is scheduled for April in Tallinn.

Baltic Defense Commanders Begin 2-Day Meeting in Vilnius

WS2003160195 Tallinn BNS in English 1300 GMT 20 Mar 95

[FBIS Transcribed Text] Vilnius, Mar 20, BNS—The commanders of Estonian, Latvian and Lithuanian defense forces on Monday [20 March] began a two-day meeting in Vilnius to discuss cooperation in air space control, military training and some other areas.

The meeting is attended by commanders in chief, Maj. Gen. Aleksander Einseln of Estonia, Col. Juris Dalbins of Latvia and Gen. Jonas Andriskevicius of Lithuania.

The three also intend to visit units of the Lithuanian Voluntary Defense Service and the motorized infantry brigade Gelezinis Vilkas (Iron Wolf).

ITAR-TASS Carries Press Review for 21 Mar

LD2103071195 Moscow ITAR-TASS in English 0524 GMT 21 Mar 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow March 21 TASS—Today's Russian newspapers lively comment on Kiev's latest political moves against the Crimean Republic, a constituent part of Ukraine, populated mostly by ethnic Russians. "Crimean President Yuriy Meshkov was deposed. The institute of presidency was abolished altogether, the constitution of the autonomous republic as well as several laws were scrapped," the KOMSOMOLSKAYA PRAVDA newspaper writes.

"An event, possibly meaning the start of a serious intra-state conflict, took place in the political life of Ukraine," the daily stresses. The TRUD newspaper notes that "the decisions taken by the Ukrainian parliament are regarded in the Crimea as a staggering blow at the republic's statehood".

The PRAVDA newspaper regards actions by Ukrainian authorities from the same position. The newspaper uses words by Ukrainian President Meshkov who called Kiev's actions "lawlessness of force", as its headline. The SOVETSKAYA ROSSIYA newspaper asks: Is not this a start of a war in the Crimea?

The press notes that "the Crimean syndrome" will influence to some extent the development of Russian-Ukrainian relations. The IZVESTIA newspaper draws attention to this factor. It writes that "it is improbable that relations between Moscow and Kiev over the Crimea will sharply deteriorate. Moscow will disregard the Crimea, because it has bogged down in Chechnya".

"A mute, as it were, diplomatic 'exchange of the Crimea for Chechnya' took place," writes the NEZAVISIMAYA GAZETA newspaper.

"Receiving Ukraine's non-interference in the Chechen events as well as recognition of these events by Kiev as Russia's demostic affair, Moscow will not evidently dare to support directly Yuriy Meshkov and Sergey Tsekov" (eds: Tsekov is Crimean parliament speaker), NEZAVISIMAYA GAZETA continues.

The government newspaper ROSSIYSKAYA GAZETA discusses Russian-Ukrainian relations with regard to "the Crimean events" from the economic point of view.

"Some people called for stopping the entire range of relations with Ukraine, above all economic ties. However, our policy concerning the neighbouring Slavic state has never had a confrantational edge," the newspaper underlines.

"What public television does the president need?" asks NEZAVISIMAYA GAZETA. Analysing the debate at the Russian parliament lower house on establishing a public Russian TV network, the newspaper writes that "turning 'public' (but in real fact 'presidential') television into a joint stock society became doubtful and even dangerous for the president himself, since it has got a different ideological and political basis than planned.

"In real fact, the president now displays greater liking not for privatisation of the Ostankino TV network and not for 'a new public Russian TV network' but for 'old' TV without digressions 'to the right' or 'to the left'," the newspaper writes.

"Russia needs powerful land troops," claims Colonel-General Vladimir Semenov, commander-in-chief of land forces, writing in the KRASNAYA ZVEZDA newspaper. He claims that "we can securely protect the Russian territory only if powerful land troops will be the core of our armed forces. This idea has a historical background, and present-day geopolitical realities necessitate to do this".

Writing in the ROSSIYSKIYE VESTI newspaper, Economics Minister Yevgeniy Yasin expresses his thoughts about "the budgetary policy and the real size of our treasury".

In the minister's opinion, "Our requirements do not conform to real possibilities of the budget, therefore, our treasury is empty. The way out can be suggested by our tax policy," Yasin claims.

The bulk of the income tax comes from population, he continues. "If we do not touch the poorest part of population and levy a bit higher taxes on all others according to a progressive scale, this will not be a great burdern for people.

"But at the same time, the budget will have a firmer financial basis, and we shall come to financial stabilisation," the minister concludes.

EBRD Grants 150 Million Ecus for Nuclear Safety

LD1603210495 Moscow ITAR-TASS World Service in Russian 1310 GMT 16 Mar 95

[By ITAR-TASS correspondent Lev Rumyantsev]

[FBIS Translated Text] Sosnovyy Bor (Leningrad Oblast), 16 Mar—This town of St. Petersburg nuclear power workers is hosting a seminar of representatives from Russian nuclear power stations on the subject of purchasing and installing the latest foreign equipment to improve the safety of nuclear enterprises. At the seminar specialists from the Euopean Bank of Reconstruction and Development confirmed the Eurobank's intention of allocating 150 million ecus for this purpose from the EC countries' governments' subsidies to our country.

Gore in Estonia for 'Inspection' of Leftward Shift

MM2103102395 Moscow ROSSIYSKAYA GAZETA in Russian 18 Mar 95 First Edition p 5

[Commentary by Mikhail Shchipanov: "What Is Gore Looking for in this Far-Off Country. U.S. Vice President Has Carried Out Post-Election Inspection of Estonia"]

[FBIS Translated Text] The alacrity with which the No. 2 man in the U.S. state hierarchy hurried to Estonia, which is somewhat off the diplomatic beaten track, sets you thinking in certain directions.

It really would be extremely naive to regard the results of Gore's dash over the ocean exclusively from the angle put forward by the Estonian authorities: As they say, the U.S. vice president did not spare his valuable time in order to confirm once more the United States' support for the sovereignty of the three Baltic sister states, which endured so much under communism. There are at least several reasons for not considering this to be the only correct interpretation of the visit.

First, and perhaps most importantly, there has been no shortage of such gestures recently on the part of the Clinton administration. The young president himself has already made a trip to the Baltic lands for symbolic reasons, to a degree imitating his great predecessor John Kennedy, who in his time called himself a "Berliner" out of solidarity for the residents of West Berlin. So there is nothing new in this, though Al Gore could not say this to the Estonian leadership or the leaders of all three of the former Soviet Baltic countries.

The vice president also had nothing new up his sleeve with regard to the future prospects of NATO expanding along the ancient Teutonic route. Brussels does not intend to establish any waiting list for the new NATO supporters, therefore as a result of well-known technical and bureaucratic procedures even the East European countries will have to wait a fairly long time for a North Atlantic Alliance membership card. Just the procedure for the 16 current NATO members' parliaments to ratify the union's expansion to the east will take more than a year.

You could, of course, quite seriously assume from the diplomatic viewpoint that Mr. Gore has spent significant sums of U.S. taxpayers' money in order to ceremonially sign just one agreement on the ecological rehabilitation of the areas surrounding the former Soviet military base at Paldiski.

However, inasmuch as Gore studiously avoided giving this gesture any anti-Russian orientation at all, and there is not the slightest reason to do so, this entirely ceremonial act for which the vice president had arrived specially was vaguely reminiscent of the familiar story of the mountain laboring and giving birth to a mouse.

Incidentally, Gore did not have any motives at all for acting as a kind of peacemaker between Russia and Estonia, whose relations remain rocky for the moment: No especially significant complications in our relations with the Estonians have been noted in the past weeks.

True, Gore did not fail to point out in a few enthusiastic phrases Estonia's achievements in the area of...international relations, and the vice president went further in this respect than West European experts, who have shown a great deal of reserve.

However, in touching on the "Russian question" in the new parliament, we have, so to speak, gotten to the heart of Gore's dash across the ocean. It is clear that it was no accident that the visit coincided with the changing of the guard in the Estonian parliament. The United States is far too sensitive these days about any reports of a leftward movement gathering momentum in the former socialist countries. This trend is recognized across the ocean as implying certain dangers, so for this reason the process of movement in the pendulum of voting habits is followed carefully in Washington. So Al Gore, we must assume, flew to Tallinn to carry out an inspection, to determine on the spot whether Estonia had really moved to the left after the elections and whether corrective measures should be taken in the present case of Estonia. Clearly, Gore was satisfied with his encounter with the renewed face of politics in this Baltic country as he praised highly its nationalities policy.

U.S. Ambassador Opens Vladivostok Business Center

MM1503102295 Moscow ROSSIYSKAYA GAZETA in Russian 15 Mar 95 First Edition p 4

[Report by Valentina Charskaya: "Business Center in Vladivostok"]

[FBIS Translated Text] Vladivostok—Thomas R. Pickering, the U.S. ambassador to Moscow, who has arrived in Vladivostok, has opened the first U.S. business center in the Far East here. He said that it is designed to play "an important role in expanding trade and investments and will contribute to the development of a dynamic market economy in Russia's strategically important Pacific region."

This modern business institution provides businessmen with the services of translators, reliable international communications, the short-term rental of offices with the necessary computer equipment, and the photocopying of documents. This is only part of the $12 million program which has been specially developed and is now gradually being implemented by the U.S. agency for the international development of the states formed on the territory of the former Soviet Union. The new business centers are expanding and deepening the facilities provided by the former U.S. services and foreign economic relations missions. They provide U.S. companies with information about local markets and commercial offers and specific information on local business partners.

Duma Deputy Lukin on Meetings With U.S. Officials

LD1703113195 Moscow Mayak Radio Network in Russian 0730 GMT 17 Mar 95

[FBIS Translated Text] Vladimir Lukin, chairman of the Russia's State Duma Committee for International Affairs, is on a short working visit to Washington. He is establishing contacts with the new Republican leadership of the international affairs committees of the Senate and the House of Representatives. Lukin has already met high-ranking officials from the U.S. State Department as well as influential legislators in the Congress, including Senators Nunn, Lugar, and Jesse Helms, head of the Senate's Foreign Relations Committee. Commenting on critical remarks voiced in the U.S. administration and U.S. Congress over Russian trade with Iran, Lukin told ITAR-TASS that Russia would rather be guided by the international laws and not by speculations of what is liked or not liked by the USA. According to Lukin, in his talks with the American legislators, he also touched upon the issues of ratification of the START II treaty and future admittance of new members from Central and East Europe. The idea of NATO moving closer to Smolensk does not evoke enthusiasm on the part of Russian parliamentarians, he noted. American aid to Russia was not discussed during the meetings, he said. What we really need is economic help, help in strengthening of the currency, and therefore, in strengthening the reform process, he said. He expressed his wish that the U.S. policy towards Russia be consistent and without a narrow one-party approach, because the future plight of Russia is too important by far to be traded or dissipated in political games.

Kozyrev Warns Against Hasty NATO Expansion at Conference

LD2003135795 Moscow ITAR-TASS in English 1322 GMT 20 Mar 95

[By ITAR-TASS correspondents Dmitriy Gorokhov, Nikita Yermakov and Mikhail Kalmykov]

[FBIS Transcribed Text] Paris March 20 TASS—In real fact, the stability pact has become the first attempt to give really innovative replies to problems of post-confrontation Europe, said Russian Foreign Minister Andrey Kozyrev on Monday, speaking at the Europe stability conference which opened in Paris.

Regrettably, he continued, this innovation is now more likely an exception than the rule. Inertia of old approaches of mechanisms is still taking the upper hand. For instance, haste with NATO expansion.

According to the minister, a coming push for such an expansion undermines an earlier agreed course for pan-European partnership, including that between Russia and NATO.

In the meantime, partnership, if given a chance at least for several years, would definitly prompt a solution of European and NATo problems with the participation of all interested states on the continent.

NATO Expansion Subverts European Partnership

LD2003204395 Moscow INTERFAX in English 1744 GMT 20 Mar 95

[From the "Diplomatic Panorama" feature: By diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] PARIS, Mar 20 (Interfax)—The planned expansion of NATO subverts the agreed all-European partnership course, notably Russia's partnership with the alliance, Russian Foreign Minister Andrey Kozyrev said in Paris Monday.

Speaking at a final conference on a Stability Pact in Europe, he emphasized that "if partnership were given a chance to develop for a few years, a solution of European and NATO problems would be found which would recognize the interests of all countries of the continent."

Kozyrev said that the pact had become essentially a first attempt to provide new solutions to the problems facing the post- confrontational Europe.

He expressed regret that this new approach was an exception rather than the rule and that the inertia of old approaches and mechanisms prevailed on most occasions, as in the case of NATO expansion.

Kozyrev agreed that countries had a right to decide what military and political alliances to join and NATO had a right to formulate its position but said that haste in discussing the criteria and conditions for the candidates for membership in NATO created a new atmosphere.

He explained that many would believe that they witnessed a revival of the confrontation logic under which the blocs had contended for spheres of influence. What was the point in hurrying when new confrontation lines were likely to emerge, he asked.

Kozyrev argued that NATO remained a military alliance that had been created in a split Europe and had to be replaced by a new model of universal security. He believed that the contrast between the vigorous steps towards expansion of NATO and the passivity in developing this new model was as striking as it was dangerous.

Kozyrev said that Russia had contributed to the pact by concluding bilateral agreements with the Baltic countries, Hungary, Poland and Slovakia and by participating in the Baltic round-table. What is more, he added, Moscow had pulled out its troops from Estonia and Latvia after the negotiations on the pact had been launched.

Kozyrev said that the mandate of the OCSE [Organization for Cooperation and Security in Europe] had been negotiated on supervision of the Russian-Latvian agreements on military pensioners and the Russian radar station in Skrunda. He described this as probably the first case of the OCSE supporting the implementation of bilateral agreements. This experience could prove useful when the OCSE takes part in implementing the pact.

In Kozyrev's words, the fact that the pact "is taken over by the OCSE" was tantamount to implementation of the Budapest summit decision about the central role the OSCE had to play in building a secure, united and free Europe.

He believed that the Stability Pact was not the end but rather a step towards intensifying the work on resolving the problems it is designed to tackle. Kozyrev said that this was true of the position of the Russian-speaking population in Estonia and Latvia.

He argued that the national legislation on minority rights had not only to meet the highest international standards but also to be supported by international political and diplomatic guarantees. Kozyrev insisted that the OSCE had to act vigorously and resolutely in that field.

Says Europe Needs New Global Security Model

LD2003163695 Moscow ITAR-TASS in English 1620 GMT 20 Mar 95

[By ITAR-TASS correspondents Dmitriy Gorokhov, Nikita Yermakov and Mikhail Kalmykov]

[FBIS Transcribed Text] Paris March 20 TASS—Russian Foreign Minister Andrey Kozyrev warned NATO against a hasty expansion, which, he said, may lead to new divisions in Europe.

Speaking at the closing session of the conference on the European stability pact in Paris on Monday, Kozyrev said that NATO was established at the time when Europe was divided into two opposing blocs. However, now the European continent needs a new model of global security.

It is the right of each state to decide what military and political alliances to join, but it is obvious that a speedy transition to a discussion of the membership criteria will create a new atmosphere on the continent, he said.

NATO's expansion plans undermine the policy of European partnership including partnership between Russia and NATO, the Russian minister said.

"This partnership, if it were given at least several years, would prompt the solution to the problems facing Europe and NATO to the satisfaction of all countries of the continent," Kozyrev said.

He called for a joint search for solutions to the challenges of the present-day world. Such search should be the centerpiece of the upcoming talks between the foreign ministers of Russia and the United States in Geneva this week.

This has been made clear by Russian President Boris Yeltsin and U.S. President Bill Clinton, who remain committed to the concept of a working partnership between Russia and the U.S., he said.

The European stability pact adopted on Monday is geared to conducting a joint search, while preserving the existing European structures, for solutions to new challenges of the modern world, Kozyrev said.

Dolgolaptev, Voigt Discuss NATO Expansion Fears

LD1703175595 Moscow INTERFAX in English 1437 GMT 17 Mar 95

[FBIS Transcribed Text] Moscow, Mar 17 (INTERFAX)—North Atlantic Assembly President Carsten Voigt on Friday tried to dispel Russian fears that NATO's expansion would infringe on its interests.

The matter was raised by Anatoliy Dolgolaptev, chairman of the Federation Council, the upper house of Russia's parliament, at a meeting he had with Voigt in Moscow.

Dolgolaptev expressed apprehensions that, if NATO drew in former East European and Baltic states, Russia's enclave Kaliningrad Region might find itself locked among new members of the North Atlantic alliance.

Voigt responded that NATO would be "very careful" in giving membership to new states and that "our cooperation with Russia will be closer than that with any other region outside NATO."

He said the North Atlantic Assembly attached great importance to its relations with Russia and stressed that his current visit to Moscow was his first trip as Assembly president.

Kolesnikov for 'Immediate Dissoluion' of NATO

AU2003134795 Berlin DIE WELT in German 20 Mar 95 p 1

[Report by Fritz Wirth: "Russia Demands Dissolution of NATO"]

[FBIS Translated Text] Moscow—Russia has lost 1,367 soldiers in the war in Chechnya. In total, 30,000 Russians soldiers are currently involved in this war. Command of their operations does not rest with Moscow but with the local commanders.

This was stated by Russian Chief of General Staff Mikhail Kolesnikov in an interview with DIE WELT and four other foreign newspapers at the weekend [18-19 March]. At the same time, Kolesnikov denied that there have been differences between the Russian General Staff and President Yeltsin about this war. In contrast, he admitted that mistakes were committed before and at the beginning of the war. A clear strategic concept was missing.

In this interview Kolesnikov criticized extremely harshly the planned expansion of NATO. President Yeltsin's resistance to these plans is justified, and the Russian General Staff fully supports him. Instead of an expansion of NATO, Kolesnikov demanded its immediate dissolution. "There is no doubt that his alliance was important for the West during the Cold War. Today, however, the existence of NATO is absolutely pointless," Kolesnikov said. "It is certainly no coincidence that the NATO leadership is now shifting the focus to peacekeeping operations. It probably notices that it is in a fix regarding its future role."

In the interview the Russian chief of General Staff advocated—like Boris Yeltsin before—further nuclear disarmament and revealed that his General Staff is already working on a concept for a START III treaty, even though the disarmament agreement of the START II Treaty has not yet been ratified by the responsible parliaments.

Kolesnikov vehemently opposed the scope of reduction of conventional weapons demanded by the CSCE agreement on conventional disarmament in Europe. This disarmament creates a security risk in particular in some strategically important regions, such as in southwest Russia. "We cannot allow others to determine how and where we deploy our own troops and how strongly they are armed," he said. "This is our house and we must be permitted to decide how and where we put our furniture."

Security Committee Head: NATO Expansion Threatens Russia

LD2003195095 Moscow ITAR-TASS in English 1917 GMT 20 Mar 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Transcribed Text] Moscow March 20 TASS—NATO's expansion threatens national interests and security of Russia, chairman of the Russian Federation Council Security and Defence Committee Major-General Pyotr Shirshov said in an interview with ITAR-TASS today.

Shirshov said the committee under him thinks the moving of NATO's boundaries close to Russian borders will bring up tension and eventual buildup of Russia's defence spending.

According to Shirshov, the promises of the U.S. to Russia and other nations pursue American interests.

It is naive to think that the Pentagon will consent to proposals of Russian diplomacy not to deploy NATO forces on the soil of new members of the alliance, the general argued.

Shirshov cited as an example Poland which had moved its most combat effective troops to the eastern border and hosts fairly extensive NATO exercises even before admission to NATO. Another warning is NATO's bid to deploy its forces in Czechia as a term for its membership, Shirshov said.

The security committee chairman said all reassuarance of Russia notwithstanding, NATO's expansion is the drive for its reemergence. Pledges are good when they are honoured and harbour no potential harm for Russia, Shirshov said.

European security is a pressing need, but it must not be reduced to survival and enlargement of a military-political alliance which is moving into the historical background, Shirshov said.

Commentary on EU Proposal for NATO Security Agreement

LD2003221995 Moscow Voice of Russia World Service in English 1210 GMT 20 Mar 95

[FBIS Translated Text] The European Union has proposed that Russia and NATO sign an agreement on security. Anatoliy Potapov comments on the EU suggestion.

Foreign ministers from 15 NATO states made the proposal. The ministers met in the French city of Carcassonne last weekend. Russia has been asked to start work, together with NATO, on a special document. Such a document may be an agreement, a pact or even charter. Long-term relations between Moscow and NATO could be spelled out in this document. It could also contain a provision for regular consultations on security and a likely obligation on non- attack against each other.

The whole idea lies in the following: the EU would want to show Russia that expanding NATO eastwards is not geared at isolating Russia. According to the EU idea, preparations towards admitting European eastern countries into NATO should proceed hand in hand with work on the said agreement with Russia.

The EU ministers put forward certain conditions for a conclusion of an agreement between Russia and NATO. Firstly, Moscow should solve its problem in Chechnya. [break in reception] ...all its objections to the NATO expansion and sign the individual program of cooperation within the Partnership for Peace initiative with NATO.

But let's make the situation simpler. Moscow has never opposed strategic partnership with NATO. On the contrary, the large-scale program of interaction between Russia and NATO, which is far outside the framework of the Partnership for Peace, was worked out on Moscow's initiative. However, Russia didn't sign it because it failed to get an answer to the puzzling question of why it is necessary to so quickly expand the military alliance to Russia's western borders.

So what is the real aim of the strategy of the new dividing line from Europe? Our observer, Anatoliy Potapov, wishes to emphasize that there has been no answer to this burning question since December of last year, when the decision to expand NATO was taken and the new EU proposal to Russia also contains no answer to this important query.

The creation of new security structures in Europe, at the Carcassonne meeting, was repeatedly mentioned. Russia favors such a new security structure; however, it seems that the EU is thinking about the said new structures only within an expanding NATO without Russia. Russia is being offered quite an unspecified, ill-defined separate agreement. But Russia believes that the central role in the new model of security should belong to the Organization for Security and Cooperation in Europe [OSCE], which brings together all European states without exception, and, by the way, a pact on stability in Europe is now under the authority of the OSCE and the international conference in Paris to be held from the 20-21 March.

The EU says it wants to have a special long-term relationship with Russia, but its ministers, in their meeting in Carcassonne, are still blocking the signing of the prepared document on a special status of trade ties between Russia and the EU, because of the events in Chechnya.

In a word, and as can be seen, the EU's proposal on the preparation of an agreement between Russia and NATO is accompanied by the specific conditions and the tough position on the Chechen crisis, which is purely an internal affair of Russia. And in conclusion, Anatoliy Potapov reserves his assessment of the EU initiative for the time being, but is sure that it will be seriously and carefully studied in Moscow.

Kolesnikov Admits Mistakes in Chechen Conflict

AU2003130395 Berlin DIE WELT in German 20 Mar 95 p 3

[Report by Fritz Wirth: "Mikhail Kolesnikov: There Are Too Many Nuclear Weapons"]

[FBIS Translated Text] Washington [dateline as published]—He chain smokes, coughs gaspingly, and apologizes: "I am sorry, the 'flu has caught me." His room in the Defense Ministry is large enough to receive entire companies. Right next to the door there is a gigantic globe. On his desk there are five white telephones. One of them is a direct line to President Yeltsin.

He is Russia's top soldier, but by far not the man with the supreme power of command. This is lost somewhere in Moscow's power jungle. His rank: colonel general. His name: Mikhail Kolesnikov. The war in Chechnya has clearly revealed the limits and the weaknesses of his office.

In a one-hour interview he does not hide this. His answers clearly indicate why the Chechen crisis has turned into a fiasco. There was a lack of planning, leadership, and far-sightedness.

"No," he spontaneously says to the first question: Whether the General Staff has lost influence in Moscow. "It may be that this impression has developed because many laymen believed that the planning for the operation in Chechnya was in my hands. However, this is not true. Every morning at six o'clock I get a report about our operations there. Thus I am informed about what is happening there, but I do not have any direct influence on it. The commanders on site are responsible for planning the operations."

"But there must be strategic planning and leadership."

Kolesnikov interrupts the person asking this question: "The terms strategy and Chechnya are incompatible. The soldiers who operate in Chechnya are often called an army. However, their difference from a normal army is that these forces are not homogeneous at all. They consist of police units, border protection units, counterintelligence units, and railroad soldiers. They are subordinate to various ministries and commanders. Until 2 February the Defense Ministry was responsible for coordinating them. Afterwards, the president put them into the interior minister's hands. However, this does not mean that we, as the General Staff, which belongs to the Defense Ministry, distance ourselves from the troops in Chechnya. We have good relations with everyone involved."

However, Kolesnikov vehemently objects to the insinuation that the Chechen war has brought about a change in the Russian military doctrine. "Such a change was not possible because Chechnya is a purely internal Russian conflict. It is part of the Russian Federation. By the way, this is not a war of the Chechen citizens but of a criminal clique that rose to power illegally. The Russian Government can be criticized only to the extent that it had ignored the existence of this regime and this conflict for three years."

"What is the current military command structure in Russia at the moment, that is, the relationship between president, General Staff, and Defense Ministry?"

To answer this question, Kolesnikov uses history: "The General Staff has always been subordinate to the

Defense Ministry. At the beginning of this century there were three years when it was directly subordinate to the Tsar. As chief of the General Staff, however, I do not see any reason why I should be taken out of the Defense Ministry's structure and be made subordinate to the president. This would be too far-reaching."

The domestic policy isolation of the Russian General Staff, which can be seen through Kolesnikov's answers, is supplemented by foreign policy isolationism, which is hardly any less surprising. Asked about his relations with U.S. Chief of General Staff Shalikashvili, Kolesnikov answers: "Unfortunately, we do not have any relations and I am unable to develop them in a sensible manner. In one sentence: They leave a lot to be desired. I had contact with General Shalikashvili when he was still NATO commander in chief in Brussels. Today I simply lack the time to visit him. This is not a cheap excuse. However, I have good contacts with U.S. Ambassador Pickering here in Moscow."

As intensively as Kolesnikov opposes NATO expansion, he advocates a further drastic reduction of the world's nuclear arsenals.

"Even after the START II Treaty there are too many nuclear weapons in the world. Any nuclear missile that is aimed at London or New York is one missile too many. By the way, we do not want to reduce these nuclear weapons because we have budgetary problems. I simply do not believe that we need them. When I took over this job, I was surprised to see how many nuclear weapons we still had. Thus, there is still much to do. Furthermore, let me answer a question in this context that has often been discussed: How safe are these nuclear weapons from unauthorized access? I can assure you: Control and safety of these nuclear weapons are fully guaranteed."

The interview ends where it started: With the conflict in Chechnya. "Where were the biggest mistakes made?"

Kolesnikov's answer after some consideration: "The most difficult part of the operation was the attempt at the beginning to prepare officers and soldiers mentally for this undertaking. Most of them understood that they were in a war only when the first were killed. The second mistake was that we did not go into battle with the right weapons but often just with maneuvers equipment. The third mistake: In the Gulf War every schoolboy all over the world knew that Saddam Husayn was the villain. We, however, have grossly failed to expose the criminal Dudayev in this war."

"And what about your personal condition?"

"There is little of which one can be proud of in a war as chief of General Staff. It is a tough but necessary job. Nevertheless, I am not a desperate man. I sleep well," he says and, coughing and gasping, lights his sixth cigarette during this interview.

Foreign Economics Minister Attacks Western Protectionism

MS2003135695 London FINANCIAL TIMES in English 18 Mar 95 p 2

[Report by Chrystia Freeland, incorporating remarks by Oleg Davydov, minister for foreign economic relations: "Russia Attacks EU and U.S. Trade Policies"]

[FBIS Transcribed Text] Moscow—A senior Russian official yesterday [17 March] attacked the European Union and the U.S. for illiberal trade practices. Mr Oleg Davydov, minister for foreign economic relations, said the EU's decision to postpone a trade agreement with Russia and the U.S.'s criticism of Russia's sale of nuclear reactors to Iran, were examples of harmful western protectionism.

"We have learned Adam Smith better than you," Mr Davydov said. "You are employing protectionist measures against a weakened Russia."

The EU has put off a trade agreement with Russia because of its human rights concerns in over the fighting in the breakaway Chechen republic. Mr Davydov accused the EU of dressing up its protectionist economic agenda with political excuses.

"They say they froze the agreement because of Chechnya, but it is really in order to protect Europe's economic interests," said Mr Davydov.

Mr Davydov was equally critical of U.S. efforts to block Russia's sale of nuclear reactors to Iran. He said, the reactors would not increase the danger that Iran will seek to develop nuclear weapons.

Mr Davydov also warned that, given Russia's current political climate, Moscow is unlikely to tailor its trade policy to suit the demands of its western interlocutors.

"No Russian politician today will give up a single market," Mr Davydov said. "We have already lost markets in Iraq, Libya, the former Yugoslavia, everywhere, and we have gained them nowhere. We are a big country, we do not need to bow to external pressure."

But Mr Davydov, who leads the Russian side in Moscow's negotiations with its western creditors, sounded a more conciliatory note on the subject of Russia's foreign debt.

He said Russia has already made significant progress in restructuring its. $130bn [billion] (82bn pounds) outstanding foreign debt and predicted that final agreements with all of Russia's creditors would be reached by the end of the year.

This week the Russian government agreed a scheme to repay one portion of this debt, the $7bn Russia owes commercial partners which continued to supply Russia with goods according to contracts reached with the Soviet Union but which have not been paid, he said.

Russia plans to issue government bonds to these suppliers which will be repaid according to the terms Russia reaches with the Paris Club, the group of western creditor nations.

Mr Davydov said these agreements, together with the deal Russia reached earlier this month with the London Club, the group of commercial lenders, cleared the way to an overall resolution this year of the debt issue.

Defense Minister Grachev Arrives in Tbilisi

MM2103113395 Moscow KRASNAYA ZVEZDA in Russian 21 Mar 95 p 1

[Report by Aleksandr Pelts: "Russian Defense Minister's Visit to Georgia Has Begun"]

[FBIS Translated Text] Army General Pavel Grachev, Russian Federation defense minister, arrived in Tbilisi 20 March on a working visit. At the Georgian capital's airport he was welcomed by Eduard Shevardnadze, the head of the Georgian state, Prime Minister Otar Patsatsiya, Parliament Speaker Vakhtang Goguadze, Vladimir Zemskiy, Russian ambassador extraordinary and plenipotentiary to Russia, Lieutenant General Vardiko Nadibaidze, Georgian defense minister, Colonel General Fedor Rvut, commander of the Russian Group of Forces in the Transcaucasus, and other officials.

At the aircraft gangway Army General Pavel Grachev told journalists he had come on instructions from Russian President Boris Yeltsin and by personal invitation from Georgian Head of State Eduard Shevardnadze and Defense Minister Vardiko Nadibaidze. The aims of the visit are to discuss questions of further military and military-technical cooperation between the two states and to examine problems of the fulfillment of the collective security treaty and the possible signing in the very near future of a treaty on military bases. The Russian defense minister also intends to specify the tasks of organizing a joint CIS air defense system and to meet with the leading personnel of the Russian Group of Forces in the Transcaucasus.

On the same day Army General Pavel Grachev met with Eduard Shevardnadze. The talk took place behind closed doors.

Zatulin: No Treaty With Ukraine in Present Situation

LD2003151195 Moscow ITAR-TASS in English 1313 GMT 20 Mar 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Transcribed Text] Moscow March 20 TASS—"I do not believe that a Russian-Ukrainian treaty can be signed under the prevailing situation," Konstantin Zatulin, chairman of the State Duma Committee for CIS Affairs and Ties With Compatriots, said today. He was addressing a press conference held in the State Duma.

"The events around the Crimea make the Russian-Ukrainian treaty untimely," Zatulin emphasised. "But even if the treaty is signed without finding a political solution to the Crimean situation, I do not think that this document will have any chance of its ratification in the State Duma," he emphasised.

Calls for Urgent Talks on Crimean Situation

LD2003160995 Moscow INTERFAX in English 1401 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow, Mar 20 (Interfax)—The Ukrainian parliament's annulment of both the constitution and the presidency in Crimea leads "to the rethinking of not only past but also future relations between Russia and Ukraine." Such a view was voiced at a news conference in Moscow Monday by Konstantin Zatulin, chairman of the State Duma's Committee for CIS Affairs and Ties with Compatriots.

Zatulin calls for Russia's president, government, and Federal Assembly to conduct urgent consultations on the situation and to develop new instructions for the Russian negotiators at talks with Ukraine.

First Deputy Premier Oleg Soskovets, should be stripped of his responsibilities as chief Russian negotiator, Zatulin said, recalling that although Soskovets had initialed the interstate Treaty with Ukraine on February 8, 1995, he deviated from the coordinated positions on the Black Sea Fleet without appropriate sanction to do so.

Zatulin also lashed out against the position of Ukrainian President Leonid Kuchma, who, according to him, came to power by pledging treaty-based relations between Ukraine and Crimea, two official languages, and dual citizenship. "He has been losing his electorate, tilting as his predecessor Leonid Kravchuk did," chairman of the CIS Affairs Committee believes.

"I proceed from the reality of Crimea being part of Ukraine, but I cannot support the endless humiliation of the Crimean people, arbitrary rule over the legitimately-elected bodies of power, and a threat to future Russian-Ukrainian relations," Zatulin stressed.

Foreign Ministry Worried, Concerned by Crimean Crisis

LD2003171495 Moscow ITAR-TASS World Service in Russian 1630 GMT 20 Mar 95

[By ITAR-TASS diplomatic correspondent Yuriy Kozlov]

[FBIS Translated Text] Moscow, 20 Mar—The decision passed by the Ukrainian Parliament on 17 March on the Republic of Crimea has aroused concern and worry in Russia. At present it is being carefully studied in Moscow, Grigoriy Karasin, head of the Russian Foreign

Ministry Press and Information Department, told the ITAR- TASS correspondent.

The Russian leadership, he said, has stated on many occasions that it is not disputing the fact that the Crimea is part of Ukraine. "At the same time, Karasin said, we have constantly paid attention to the need to respect the will of the peninsula's people. We are still convinced that relations between Kiev and Simferopol should be resolved through political dialogue, which must be cherished."

The deterioration in the situation around the Crimea, which has caused public concern in Russia, Karasin said, confirms once more the need for a speedy decision to be made on the key questions of Russian-Ukrainian relations, primarily on resolving the Black Sea fleet problems. It is in the interests of the two countries that the situation in the Crimea is stable. This will help the development of trade and economic cooperation between Russian regions and the Crimea. That will benefit both Russia and Ukraine, Karasin said.

Chechnya Said To Influence Moscow Stance on Crimea

MM2103100595 Moscow IZVESTIYA in Russian 21 Mar 95 p 1

[Report by Vasiliy Kononenko, Sergey Chugayev, and Maksim Yusin: "Moscow Today in No Mood for Crimea, It Is Too Bogged Down in Chechnya"]

[FBIS Translated Text] The Russian authorities' initial reaction to the Ukrainian Supreme Council's decision regarding Crimea indicates that Yuriy Meshkov and his supporters should hardly count on serious support from Moscow.

No Russian official has condemned Kiev's actions, and this time even representatives of the State Duma, which in the past has repeatedly expressed its sympathies for Crimea's pro-Russian leaders, have refrained from voicing peremptory opinions.

Ivan Rybkin's opinion, voiced Friday, that the conflict is Ukraine's internal affair remained unchanged following the Duma Council session 20 March. It was decided to draft a statement which it is planned to include on the agenda for discussion at Wednesday's plenary session [22 March]. Judging by what the session's participants said, the intention is to render the text of the statement as mild and cautious as possible. Only one legislator—K. Zatulin, chairman of the Duma Committee for CIS Affairs—organized an emergency news conference. He was unusually restrained in his assessments and effectively confined himself to hypothesizing that Kiev's decisions on Crimea might complicate Russian-Ukrainian relations.

The conflict between Kiev and Simferopol has had no effect on the work schedule of Vice Premier Oleg Soskovets, who left for the Ukrainian capital as planned 20 March to prepare for Boris Yeltsin's visit, which is scheduled for mid-April. And if the political confrontation between the Ukrainian and Crimean authorities does not enter another more dangerous phase, the Russian president's visit will by all accounts go ahead.

Although people in Moscow are already beginning to voice some doubts as to its advisability. According to Dmitriy Ryurikov, Yeltsin's international aide, Moscow views the Ukrainian Supreme Council's decision as "serious legal measures which will undoubtedly have consequences for Crimea's inhabitants." "They are now being carefully studied by our experts, and the president has been promptly informed of these events," Ryurikov said, recalling that during his meeting with the Ukrainian ambassador 17 March Yeltsin confirmed the immutability of the Russian position: Events in Crimea are Ukraine's internal affair. However, he added at the same time: "For well-known reasons the Russian leadership would like the adoption of these decisions to have no consequences that Russia would have to get involved in settling."

Deputy Foreign Minister Sergey Krylov spoke in roughly the same vein: "If relations between Kiev and Simferopol take the path of confrontation, that may create an unfavorable backdrop for the preparation of a Russian-Ukrainian summit meeting."

At the same time during private conversations Foreign Ministry staffers consider a dramatic deterioration in relations with Kiev over Crimea unlikely. In the opinion of one diplomat, the Russians are just as interested in the success of Yeltsin's visit as the Ukrainians. That would make it possible to put an end to the series of Russian failures on the international arena caused by the war in Chechnya and, what is more, show the world community that there has been no "imperial" shift in the Kremlin's policy, otherwise how would it have managed to find a common language with such an intractable partner as Ukraine?

You get the impression that Leonid Kuchma has chosen an ideal moment to cut the "Crimean knot." Four months ago Moscow's reaction would almost certainly have been different and, conscious of its support, Crimea's leaders would have behaved differently, far more resolutely.

But today Russia is so deeply bogged down in Chechnya that its leaders do not have the strength or the desire or the opportunity to play the Crimean card, which recently seemed to be a trump card. Moreover, in the light of Yeltsin's Chechen campaign Kuchma's arguments seem more than convincing. And no matter how much the Russian authorities sympathize with the Crimeans deep down, from the legal viewpoint Kiev's position is irreproachable. If Yeltsin did not balk at sending troops into Chechnya in order to preserve Russia's territorial integrity, he is hardly entitled to reproach his Ukrainian counterpart for undertaking purely political and constitutional moves vis-a-vis Crimea.

In the opinion of Sergey Yushenkov, chairman of the Duma Defense Committee, the methods with which Moscow has decided to clear the air with Groznyy will inevitably prompt the leaders of neighboring states to pursue a tougher policy toward autonomous formations or regions that aspire to autonomy. In this respect Yushenkov believes that events in Crimea are just the first round.

Reasons for Kiev's Crimea Moves Pondered

MM2103112395 Moscow IZVESTIYA in Russian 21 Mar 95 p 2

[Report by Yanina Sokolovskaya: "Doubtful That Kuchma and Yeltsin Will Sign Treaty in March"]

[FBIS Translated Text] Kiev—The Ukrainian authorities have placed themselves in a fairly tricky position by abolishing the institution of Crimean Republic presidency and the autonomous formation's Constitution 17 March, declaring the elections of local council deputies illegal, and deciding to institute criminal proceedings against Yu. Meshkov for acting ultra vires.

On the one hand, Kiev's line toward Crimea, which is attempting to live by its own laws, has been fairly acquiescent. The Supreme Council has discussed the question "of the political-legal situation" in the autonomous formation on three occasions but has not taken any steps, and the president has not introduced presidential rule in Crimea. Following the commencement of events in Groznyy top members of the presidential staff spoke with pride of the "wisdom of a softly-softly policy in relations with Crimea, otherwise we would have a second Chechnya on our hands."

That stance has become the norm for Kiev. If any toughening or change in that stance was to be expected, this would be after the signing of the treaty on friendship, cooperation, and partnership with Russia. After all, the Crimea means the Black Sea Fleet and Russia's well-known interests. Following the abrogation of the peninsula's Constitution Sergey Tsekov, chairman of the autonomous formation's parliament, said that the Crimea issue would wreck the signing of a wide-ranging treaty. But [Ukrainian] President Kuchma is convinced that now "Ukrainian-Russian relations will depend on the wisdom of the Russian leadership." Ukrainian Speaker Oleksandr Moroz described the abrogation of the Crimean presidency as "Ukraine's internal affair" and "assistance for the Crimean Supreme Council."

Most Ukrainian politicians are inclined to take the view that the Crimean knot should have been unraveled during [former President] Kravchuk's rule without waiting for the situation to deteriorate. The present moment is an extremely unfortunate choice when it comes to bringing the legislation of the autonomous formation into line with the Ukrainian Constitution. The haste may be due to the fact that Meshkov assumed full power without allowing the Council of Ministers and Anatoliy Franchuk to govern Crimea. By abolishing the Crimean presidency and reinstating the autonomous formation's Supreme Council Moroz may be trying to strengthen the vertical chain of command that he created.

Moreover events on the peninsula have riveted Ukrainian public opinion to such an extent that it has finally been diverted from discussing the failed economic reforms, the nonexistent privatization, the tremendous slump in production, and the rise in inflation.

But you might have guessed that there would be a change in Kiev's policy on Simferopol when the Ukrainian highups did not protest the Chechen conflict but recognized it to be Russia's internal affair. Kiev will now resolve "internal affairs" in the autonomous formation at its own discretion. However, there is a substantial difference in the development of events in Chechnya and Crimea: The indigenous population of the peninsula backs the position espoused by official Kiev.

Deputy Defense Minister Attends Opening of UAE Arms Fair

LD1903222295 Moscow Ostankino Television First Channel Network in Russian 2057 GMT 19 Mar 95

[From the "Nota Bene" program presented by Ivan Konovalov]

[FBIS Translated Text] With an elaborate opening ceremony the Ibex-95 arms exhibition opened in Abu Dhabi, the capital of the United Arab Emirates, today.

The elaborateness of the opening ceremony is understandable, because it is not every day that almost 40,000 participants from 43 countries gather together.

For five days, more than 600 firms will show their goods. Our defense industry is represented in Abu Dhabi by the Rosvooruzheniye state company.

Russia's interest in the Near East is no coincidence. The region's countries are ready, in the next five years, to spend no less than $80 billion on arms.

This is the reason why Russia offers state-of-the-art types of arms at the Abu Dhabi exhibition, including naval equipment, air defense systems, aircraft, tanks and, of course, the world-renowned submachine guns and grenade launchers. All in all, Russia has 200 exhibits.

Russian Deputy Defense Minister Andrey Kokoshin was present at a show, held to mark the opening of the exhibition. He will travel from Abu Dhabi to India, where he is due to sign a number of contracts, providing for major deliveries of Russian arms.

This year Russia plans to sell $2.5 billion worth of arms. By way of comparison, the USA earned $33 billion from similar deals last year.

Russian, Ukrainian Defense Officials Meet at Arms Fair

LD2003094095 Moscow ITAR-TASS in English 0735 GMT 20 Mar 95

[By ITAR-TASS special correspondents Tamara Ivanova and Vyacheslav Anichkov]

[FBIS Transcribed Text] Abu Dhabi March 20 TASS—Russia's first deputy defence minister Andrey Kokoshin and Ukraine's Defence Minister Valeriy Shmarov met in Abu Dhabi, where they are leading official delegations from their respective countries to an international arms [show], and confirmed the importance of developing partnership relations between their two countries in the field of military building, including arms and equipment production.

"Ukrainian military equipment on view at the arms show are evidence of close interaction between the respective industries of our two countries. Earlier we created these products within the framework of a single state, but now cooperation continues to develop in new conditions, Kokoshin said. He added that a number of pieces put on show by Ukraine evoked his lively interest and consultations between specialists from the two countries began on his initiative immediately."

Ukraine's defence minister Valeriy Shmarov, who is also vice- premier of his country's government stressed promising prospects for practical cooperation in the sphere of arms manufacturing. "Defence enterprises in our two countries are now going through difficult period. In these conditions it would be unwise to manufacture in Ukraine what Russia is already manufacturing and vice-versa".

The minister believes that cooperation which already exists should develop outside politics and that it acts as an economic lever in the field of creating new arms by the two countries.

The Russian and Ukrainian delegation heads inspected together the products put on view by both countries, evidence of their mutual desire to interact.

Russia and Ukraine are the only two former soviet republics taking part in the Abu Dhabi arms show.

Russia Concludes Arms Supply Contract; Buyer Not Revealed

LD2103133395 Moscow ITAR-TASS in English 1256 GMT 21 Mar 95

[By ITAR-TASS correspondents Tamara Ivanova and Vyacheslav Anchikov]

[FBIS Transcribed Text] Abu Dhabi March 21 TASS—Russia's state-owned arms export firm "Rosvooruzheniye" has concluded the first contract at the United Arab Emirates Idex-95 defence exhibition in Abu Dhabi.

The company's director general Aleksandr Kotelkin told a press conference today that a country had purchased twelve Tunguska-M anti-aircraft systems. Kotelkin declined to name the buyer, pointing out that it had the right to announce about the purchase.

At the ground show on Monday, the self-propelled Tunguska-M system amazed the spectators by its manoeuvrability and the 100 percent rate of hitting the targets.

Deputy Duma Speaker Calls Iran 'Guarantor of Stability'

LD1503105095 Tehran IRNA in English 1016 GMT 15 Mar 95

[FBIS Transcribed Text] Moscow, March 15, IRNA—First vice-speaker of Russian duma Mikhail Mityukov here Tuesday said that Iran is a guarantor of stability in the region.

Speaking to IRNA here, Mityukov who has recently returned from a week-long visit to Iran, said that the West and the U.S. in particular, should know that Iran and Russia, as the two neighboring countries, could cooperate in all fields.

Calling his visit to Iran "useful", the official expressed hope that parliaments of the two counties would upgrade bilateral relations and cooperation in future.

Referring to common view points that Tehran and Moscow hold on different issues including that of the Caspian Sea, Mityukov said that the two countries could cooperate in such fields as modernization of industries, nuclear technology and military affairs.

Those opposing Iran-Russia cooperation could create no obstacle in the way of the implemention of the agreements already reached between the two countries or continuation of bilateral cooperation because such cooperation would guarantee international stability.

He made it clear that Tehran-Moscow bilateral cooperation would pose no threat to interests of any third country, adding that nuclear cooperation between the two countries would not threaten the international community since Iran had observed all its committments in this connection.

Praising Iran's stands towards crises in Tajikistan and Caucasia, the official stressed that Iran had positive influence on regional stability.

Zyuganov Condemns U.S. Stance on Iran-Russia Cooperation

LD1503195895 Tehran IRNA in English 1842 GMT 15 Mar 95

[FBIS Transcribed Text] Moscow, March 15, IRNA—Leader of the communist wing of Russia's lower house of parliament, Gennadiy Zyuganov, here on Wednesday condemned the hostile attitude of the U.S. towards

Iran-Russia cooperation. In an interview with IRNA, Zyuganov said the visit paid recently to Iran by the State Duma MPs was successful and constructive and a step towards expansion of ties between the two countries.

He said friendly relations and cooperation between neighbouring states would be fruitful. The MP said the results of diplomatic shuttles between the two countries are excellent. He said the U.S. stance against peaceful nuclear cooperation between Iran and Russia was interference in Russian internal affairs.

Yablokov Opposes Nuclear Power Deal With Iran

LD1603200595 Moscow INTERFAX in English 1732 GMT 16 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 16 (Interfax)—Russia should not develop cooperation either with Iran or with China for creating nuclear power stations as these countries do not suffer from energy shortage and could export for military purposes Russian equipment and technology, Chairman of the Russian Security Council Interdepartmental Commission on Environmental Security Aleksey Yablokov told a news conference in Moscow today.

He said Russia should not have sold to China the technology for enriching uranium as China could use it for military purposes. Yablokov said Russian technology could just help to create another hundred of nuclear bombs.

Yablokov said he was against concluding a contract on Russia building a nuclear power station in Iran. He said he was bewildered by intentions of Tehran "possessing immense energy resources such as gas and oil" also to acquire nuclear electric power stations.

Yablokov said the interest of Iran in the project was due only to military reasons and thus Russia should refrain from actions which could create "a nuclear neighbor on the Russian southern borders."

Official of the Russian Nuclear Power Energy earlier said that Iran would be incapable of making a nuclear bomb using plutonium which would be produced on the nuclear electric power stations being built in Iran with the assistance of Russia. In particular, Russian First Deputy Nuclear Power Minister Lev Ryabyev said plutonium could be received by water-moderated reactors but it could not be used for creating a nuclear bomb.

The contract for completing the construction of the nuclear power station with the set power of 1880 megawatt in Bushehr (Iran) was signed in January 1995. The contract costs $800 million. Under the contract, the first energy block of the nuclear power station must be put into functioning by the year 2000.

Israel Seen Behind U.S. Objection To Nuclear Ties With Iran

LD2003202095 Moscow INTERFAX in English 1735 GMT 20 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 20 (Interfax)—Moscow considers as "open pressure on Russia and Iran" the resolution of the U.S. congress adopted last week urging to block U.S.-Russian nuclear cooperation if Moscow fails to halt its plans to deliver nuclear reactors for the nuclear electric power station being built in Bushehr, a high-ranking official of the Russian Foreign Ministry told Interfax today.

The Russian diplomat said he could see an "Israeli trace" in the attempts of the U.S. to achieve curtailment of Russian- Iranian cooperation also involving nuclear power.

"The idea of launching the wide campaign against Russia's participation in the construction of the Iranian nuclear power station in the U.S. has been given by Israel and is to a large extent due to the coming conference of the signatories of the Treaty on Non-Proliferation of Nuclear Weapons in New York in April," the diplomat said.

He repeated that the New York conference would decide on the future of the treaty and on its possible unlimited extension.

The diplomat said Israel was not maintaining any contacts with the IAEA [International Atomic Energy Agency] and was stubbornly refusing to join the nonproliferation treaty while continuing to create nuclear bombs.

The Russian diplomat said Tel Aviv's position on this had been sharply criticized by many Arab countries, primarily Egypt which nearly directly conditioned the results of voting on the future of the treaty with Israel joining it.

The diplomat said the propaganda fuss in the U.S. stating that by signing the contract for building the Bushehr nuclear power station Russia would give Iran an opportunity to learn the technology for producing nuclear weapons was aimed at distracting the attention of the world community from Israeli actions.

The diplomat said the present anti-Iranian rhetoric in the U.S. was aimed against Russia's economic interests.

The diplomat said the U.S. was exercising the same pressure on Iran's leading trade-economic partners, Germany, France, Italy and Japan seeking that they also curtail relations with Tehran. "However, these countries are ignoring the U.S. assaults," he added.

Christopher To Pressure Kozyrev Over Iran Reactors

MM2103100295 Moscow IZVESTIYA in Russian 21 Mar 95 p 3

[Report by Vladimir Nadein: "Difficult Struggle for the Nuclear Billion Lies in Store for Kozyrev in Geneva"]

[FBIS Translated Text] Washington - The fact that Conoco, the major U.S. oil company, has abandoned its big deal with Iran will place Russian Foreign Minister

Andrey Kozyrev in a difficult position. Kozyrev has a meeting with U.S. Secretary of State Warren Christopher ahead. These interlocutors will have many things to discuss when they come to Geneva. However, the trickiest thing will be the intended sale of Russian nuclear reactors to Iran.

Christopher's difficulty is that he is faced with the task of demanding the cancellation of what is an impeccable Russian-Iranian deal in terms of current international law.

Kozyrev's difficulty is that he will be coming under pressure from what are strictly U.S. laws. And quite legitimately, moreover.

When the Conoco company announced that it had signed a contract with Iran to explore two major offshore fields, its positions seemed sound. First, there were no legal provisions that would be violated by the contract. Second, the company informed the administration well in advance regarding all stages of the talks and received no objections during the talks. Third, the Americans' rejection of the deal will not for a minute halt the exploration of the fields since the French, the Japanese, and others besides are among their rivals.

Nevertheless the White House asked Conoco to abandon the deal and the company acceded to the request. Conoco, which was leaned on not only by the administration but also by its parent company Du Pont, deemed it worthwhile to lose $1 billion but preserve its image as U.S. patriots.

By chance the Russian-Iranian deal is also estimated at $1 billion. The secretary of state will not fail to point out to our minister that his government is harsh but fair. Since the Iranian billion has been taken away from their own oil men, they will not pussyfoot with Russia's nuclear specialists.

The United States is convinced that Iran's Islamic regime, which supports international terrorism and stands in the way of peace in the Near East, is furiously trying to gain possession of nuclear weapons. Despite all the international guarantees Washington sees the reactor deal as throwing open the door to Iranian nuclear potential.

It is easy to say now how Christopher will parry any arguments that Kozyrev puts forward. He will not have to invent anything. He will simply repeat everything that the people from Conoco heard from President Clinton.

And if Kozyrev tactfully reminds Christopher that Russia does not come within the remit of U.S. legislation, Christopher will remind his interlocutor just as easily that U.S. taxpayers' money, known as "aid" in common parlance, is dispatched and withheld solely at America's. behest.

Even without a calculator, Kozyrev will have no difficulty in working out how many times this aid exceeds the supposed profits deriving from Iran.

Zhirinovskiy To Visit Libya 25 Mar

LD2003215095 Moscow INTERFAX in English 2125 GMT 20 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 20 (Interfax)—A delegation of the Liberal Democratic party group in the State Duma (lower house of Russian parliament) headed by the party and group chairman Vladimir Zhirinovskiy plans to visit Libya on March 25 at an invitation by the county leader Mu'ammar al-Qadhdhafi.

A source in the party State Duma press office told Interfax Monday that over 20 journalists would fly with the delegation.

Kokoshin in India To Sign Military Cooperation Agreements

LD2003231495 Moscow ITAR-TASS World Service in Russian 1725 GMT 20 Mar 95

[By ITAR-TASS correspondent Leonid Kotov]

[FBIS Translated Text] Delhi, 20 Mar—"India is a strategic partner for Russia, with whom relations are now acquiring an even greater importance than in the times of the Soviet Union." This statement was made today in an interview to an ITAR-TASS correspondent by Andrey Kokoshin, first deputy minister of defense of the Russian Federation, who has arrived in Delhi on an official visit.

Talking about the aims of the forthcoming talks wih the leaders of India's Foreign Ministry and defense department, A. Kokoshin stressed that first of all, questions of long-term prospects of interaction between Russia and India in the military sphere will be discussed, as well as questions relating to the implementation of a program of military cooperation between the two countries for the period of up to the year 2000. The program was signed during the visit to India in December 1994 by Viktor Chernomyrdin, chairman of the Russian Federation. A. Kokoshin said it was necessary to view the military-technological cooperation between Russia and India in the broad context of political and economic ties between our countries. "It is especially important that the development of relations with India is taking place against a background of broadening ties between Russia and China. This shows that such interaction is not directed against the interests of third countries but facilitates solving problems on which world stability depends," stressed the first deputy minister of defense of the Russian Federation.

During A. Kokoshin's stay in Delhi two documents will be signed that will further develop already signed agreements between Russia and India on defense cooperation.

Moscow 'Officially' Applies for APEC Membership

LD1703100495 Moscow ITAR-TASS in English 0909 GMT 17 Mar 95

[By ITAR-TASS correspondent Stanislav Bychkov]

[FBIS Transcribed Text] Singapore March 17 TASS—The Russian Federation has officially applied today for membership in the Asia-Pacific Economic Cooperation Organisation (APEC). The application was handed to Seijiro Imanishi, the chairman of the APEC secretariat, by Aleksandr Panov, deputy foreign minister of the Russian Federation, who is currently on a working visit in Singapore.

The message by Russian Foreign Minister Andrey Kozyrev, attached to the application, stresses that Russia, which is consistently implementing economic reforms and which fully shares the principles of this influential organisation, is interested in its earliest and full-fledged inclusion in the Asia-Pacific economic space, which will primarily involve the tapping of the huge potential of its Siberian and Far Eastern regions. Russia's accession will not only give added backing to its reforms, but will also meet the interests of all the APEC members, the message notes.

The Asia-Pacific Economic Cooperation Organisation, set up in November 1989 to promote trade and investments, today unites 18 countries and territories of the Asia-Pacific region, including Australia, Canada, China, U.S.A., Japan, and the ASEAN [Association of Southeast Asian Nations] states. Its members account for forty per cent of the world trade and fifty per cent of the gross global products.

The APEC summit in Seattle, held on November 1993, adopted a declaration on the basic principles of trade and investments. The Bogor summit (Indonesia), held a year later, issued a declaration on the creation of a free trade zone in the Asia-Pacific region by the year 2020. This will be the world's largest barriers-free trade and economic zone. It will determine in many ways the picture of the world economy in the next century. The APEC leaders plan to approve a programme of actions to implement the Bogor document in Osaka this autumn.

A moratorium on the admission of new members is in force in the APEC since 1993. This is why Russia's activities have so far been quite limited in this regional body.

Deputy Duma Speaker Wants 1991 PRC Border Accord Reviewed

LD1703195995 Moscow INTERFAX in English 1737 GMT 17 Mar 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Vladivostok, Mar 17 (Interfax-Eurasia)—Vice Speaker of the Russian State Duma (lower house) Gennadiy Seleznev has described as well-justified the Governor of Primorskiy Territory's repeated calls for a review of the 1991 border agreement with China followed by separate talks on border demarcation. Seleznev leads a parliamentary delegation which arrived in the region Friday to meet local constituents.

Governor Yevgeniy Nazdratenko believes that it will be damaging to Russian interests to cede part of the territory to China, a position prompting a sharp response from the Russian Foreign Ministry and leaders of the Duma Foreign Affairs Committee.

Committee Chairman Vladimir Lukin at the end of last week's tour of the region said that any review of the border deal ratified by the previous parliament was out of the question.

For his part, Seleznev called for a renewed scrutiny of the situation in hand. "I am all against attempts to try to resolve border issues following the break-up of the Soviet Union. Russia has more than enough of such issues on her plate and I am against the idea of setting precedents", he said.

Lobov, Cuban Envoy Discuss Trade, Economic Relations

LD1703212395 Moscow INTERFAX in English 1856 GMT 17 Mar 95

[FBIS Transcribed Text] Moscow, Mar 17 (INTERFAX)—Russian Security Council Secretary Oleg Lobov received Cuban Ambassador to Russia Rogelio Montenegro to discuss bilateral trade and economic relations. The Security Council press service told Interfax Friday that the relations should be long-term and conform to the goals of equal partnership, of strong interest to Cuba.

The meeting established that "thanks to Russia's active position, a certain breakthrough took place recently in the international mentality on the need to lift the embargo against Cuba and cease its international isolation."

Lobov told the Cuban diplomat that "the Russian president and government's general line is to restore and further develop Russian- Cuban cooperation based on mutual interests." At the same time, this way is obstructed by the Russian economy's crisis.

Lobov hoped Cuba will soon repay at least a part of its debt to Russia. He pointed out the opening possibilities of its re- investment as Russian part in joint ventures, including Russia's engagement in the Cuban tourism industry.

Political Issues

Yeltsin Encourages Political Comeback For Savostyanov

LD2003162795 Moscow ITAR-TASS in English 1609 GMT 20 Mar 95

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Transcribed Text] Moscow March 20 TASS—Former director of the Moscow and Moscow region division of the Russian Counter-Intelligence Service (FSK) [FCS] Yevgeniy Savostyanov, who was sacked by a presidential decree of December 2, 1994, made an unexpected political comeback on Yeltsin's blessing.

It will be recalled that a FSK operating group under Savostyanov came to grips with officers of the presidential security service in an incident at the Moscow mayor's office.

On December 2, the presidential security cracked down on guards and drivers of "Mostbank" housed in the building of the Moscow mayor's office on grounds of their suspected illegal arm bearing.

Although no arms were found, Savostyanov, who stood in the way of the crackdown, was dismissed within two hours.

ITAR-TASS was told today by presidential administration head Sergey Filatov that Boris Yeltsin "would not be against it if Yevgeniy Savostyanov now became first deputy of Moscow mayor Yuriy Luzhkov, but Savostyanov refused to take this post". It appears Yeltsin's move sets out to smooth down the odd public impression of his dumping Savostyanov.

Rejecting the post of deputy mayor, Savostyanov however consented to be a deputy of Aleksandr Yakovlev, the leader of the Russian Social Democratic Party, on which Yeltsin pins, as he admits himself, hopes in forthcoming parliamentary and presidential elections.

Asked whether Savostyanov bears a grudge against the president, Filatov quoted him as saying: "On the contrary, I'm going to support Boris Yeltsin through the Social Democratic Party".

Chernomyrdin, Moscow Mayor Discuss Federal Subsidy

LD2003201595 Moscow INTERFAX in English 1936 GMT 20 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 20 (Interfax)—Mayor of Moscow Yuriy Luzhkov and Prime Minister Viktor Chernomyrdin met Monday [20 March] to discuss federal subsidy to the Russian capital, informed sources in Moscow told Interfax.

A week ago, Luzhkov accused the government of putting up an economic blockade against Moscow following its decision to allocate a 1.9 trillion ruble subsidy to the capital in 1995, an all-time low in recent years. The mayor said the situation with the food subsidy was just as bad.

In a speech to a meeting of Moscow media leaders shortly before he went into talks with Chernomyrdin, the mayor said the prime minister was capable of "independent decision-making". Luzhkov spoke of wanting to try to persuade Chernomyrdin of "the need for more serious economic support" for Moscow.

Yeltsin Not To Accept Luzhkov's Resignation

MK2103085095 Moscow SEGODNYA in Russian 21 Mar 95 p 1

[Unattributed report: "Premier and Moscow Mayor Discuss Questions of Financing the Capital"]

[FBIS Translated Text] Moscow Mayor Yuriy Luzhkov met with Russian Premier Viktor Chernomyrdin yesterday evening and discussed problems of financing the capital from federal funds. In his meeting with chief editors of Moscow newspapers, Mr. Luzhkov said the talking point was the appropriation of subsidies for the reconstruction of the Bolshoy Theater, the completion of the [war memorial] complex on Poklonnaya Hill, as well as for the continuation of work to build the metro and housing. According to the mayor, Boris Yeltsin told him in yesterday's telephone discussion he did not intend to accept his resignation as head of the city administration.

New Central Electoral Commission To Begin Work 21 Mar

MK2103090095 Moscow SEGODNYA in Russian 21 Mar 95 p 1

[SEGODNYA report: "First Sitting of New-Convocation Central Electoral Commission Will Take Place Today"]

[FBIS Translated Text] The first organizational sitting of the Central Electoral Commission [CEC], new composition, will take place in the building on Ilinka Street today [21 March]. Under the law "On State Guarantees of Electoral Rights of Citizens," 15 persons have been appointed members of the CEC (five persons each from the senate and the Duma, and five chosen by the president). Current CEC Chairman Nikolay Ryabov is on the president's list, and his current deputy Aleksandr Inanchenko is on the Duma list. Today's CEC sitting is expected to elect a new chairman, and experts believe Mr. Ryabov stands fair chances. Invited to attend the sitting are presidential chief of staff Sergey Filatov, Federation Council Vice Speaker Anatoliy Dolgolaptev, and State Duma Vice Speaker Mikhail Mityukov.

Official Personnel Appointments Reported

MM2103111495 Moscow ROSSIYSKIYE VESTI in Russian 21 Mar 95 p 1

[Unattributed report: "Cadres"]

[FBIS Translated Text] Valentin Valentinovich Lazutkin has been appointed leader of the Russian Federal Service for Television and Radio Broadcasting by presidential edict.

At the suggestion of the chairman of the Russian side of the Russo-Italian Economic, Industrial, Foreign Exchange, and Financial Cooperation Council, coordinated with the Ministry of Foreign Economic Relations and the Russian Ministry of Economics, G.V. Gabuniya, Russian Federation deputy minister of foreign economic relations, has been confirmed as deputy chairman of the Russian side of this council. Under the same government directive Yu.V. Bolshakov, the main specialist at the Ministry of Foreign Economic Relations Administration for Trade and Economic Relations with the Countries of Europe and North America, has been appointed senior secretary of the council.

Russia's World Role, Domestic Issues Viewed

MM2003135895 Moscow KRASNAYA ZVEZDA in Russian 18 Mar 95 p 2

[Article by Aleksandr Golts: "Russia Is a Great Power. But To Remain One Our Society Must Recover Its Health"]

[FBIS Translated Text] "Russia is a great power which takes and will continue to take its place among the world's great states." According to Andrey Kozyrev that is the main premise gleaned by the Foreign Ministry leadership at the meeting with the Russian president. But diplomats are have to implement that premise, conduct dialogue with other leading powers on an equal basis, and defend Russian national interests in an increasingly complex atmosphere. Unfortunately one can cite many examples: from the decision to expand NATO to the refusal to ease the anti-Iraq sanctions, when our Western partners (while verbally recognizing that Russia is great) simply ignore Moscow's position.

You must agree that it is hard to conduct dialogue with partners as equals when the country's budget can be balanced only by including in it credit from the IMF (and they will issue even that to us monthly, controlling abroad the economic policy of a great power. The problem is that the factors which define Russia as a great power—the size of its territory, its natural resources, its very rich culture, the high standard of its population's education and professional training, its nuclear might, finally—all this is, so to speak, a potential, a prerequisite of development. The problem is that a sick, divided society is living in a great power.

It is so sick that even the murder of Vlad Listyev, everyone's favorite, did not make it look in the mirror and feel ashamed. Instead the country has witnessed unseemly squabbles between the officials of the Moscow City Hall and the Kremlin. And now the mass media will spend weeks chomping on and chewing over what Luzhkov said, what Chubays said in reply, and how Chernomyrdin commented on it all. People whose job it is to resolve hundreds of very complex economic and management issues will spend their precious (precious for us, the taxpayers) time on long purely municipal squabbles whose aim is to prove who is boss.

No one any longer conceals the fact that some financial groups are taking an active part in these disputes. But it is well known that "normal" financial capital is interested not so much in a drastic increase in revenue (which, hypothetically, could entail political fighting) as in stability in the country, which determines markets' stability. And you cannot help asking: But are these financial groups or some other kind?

Since Listyev's death the "Ostankino" first channel itself has also become the arena for an unproductive and futile attempt to settle disputes. And the television men are showing with relish this internal squabble throughout Russia and the CIS countries. A dispute which ended in the resignation of Aleksandr Yakovlev.

The disgraceful squabble which essentially destroyed the Bolshoy Theater for all the difference in the situations is from the same opera. An untalented opera. Let us think: What used with full justification to be regarded as one of the most important assets of our culture (that culture which goes to form the concept of a great Russia) is disintegrating before our eyes. It is disintegrating because of some kind of primitive intriguing when some groups are fighting others for power. The national assets are self-destructing before our eyes. And there are no guarantees that now any administrative decision will be able to resurrect the spirit of the former "sanctuary of the muses."

Examples of manifestations of this sickness can be multiplied endlessly. It is time to name the sickness. Intrigue, the fight for a slice of the pie, which has affected all levels of management, all society, has become a manifestation of the most uncontrolled individualism that has gripped us all. Liberation from a paternalistic state has led to the resurrection of the principle of "each man for himself" in its most primitive form.

After all, this principle was generated not by the modern market society but by a far more ancient one. We often speak of the United States as an individualist society. If I understand this correctly the most famous American dream is for a man to be able to reach the summit, realizing his talents, energy, and persistence. But that same society long ago developed norms which enable individuals to compete without devouring each other, without destroying society itself.

In our country personal egotism is not restrained morally, by religion, or by respect for the law and the state. Optimists say that this is all a sickness to do with its establishment, essentially a childhood sickness. It will all settle down, they say. We will acquire moral values and respect for the law. But in our country the sickness has already reached such dimensions that you remember that people do die of childhood diseases. I am quite unable to understand why, in order to move to another capacity, Russia must fall to nothing, to total barbarism.

Yet again you realize how Russia needs a common idea with which all social groups will agree. Today it is an understanding that a war of destruction waged by everyone against everyone else is suicidal. And in my opinion we have no way of implementing that idea apart from consolidating the state. And the consolidation of the state should begin with the unconditional fulfillment of the laws by state employees themselves, irrespective of rank and post. The law, whether it is convenient or not, should be fulfilled. Be it the law on the status of servicemen or articles of the criminal code.

The resurrection of morality should begin primarily among the state's elite. Recently a Japanese minister obliged to cut back the wages of his department's employees announced that his own salary would also be reduced 20 percent. In our country people who urge us again and again to tighten our belts are not ashamed to flaunt the most overt and it may be said lordly luxury. And everyone realizes that the source of this luxury is power. Is that not the reason for the fierce struggle for power?

I realize that it is hard to implement these generally simple things in practice. But we must also understand that without morality and respect for the law (where the top state employees must set an example) the state itself is doomed.

New Security Revamp Ends KGB's Specter

MM2003143995 Moscow IZVESTIYA in Russian 18 Mar 95 pp 1, 2

[Article by Aleksandr Platkovskiy: "Old KGB Resurrected Under New Name"]

[FBIS Translated Text] Yesterday, according to our information, a draft law with a direct bearing on the security of every Russian citizen, that is our security, arrived at the president's apparatus for signing.

The draft law was submitted to parliament by the president. It went through three readings in the Duma without any real problem. But it was not to be debated in the Federation Council. We were told that the upper chamber's Security and Defense Committee had no observations to make, so, under the Standing Orders (Article 98), it would not be submitted for consideration. Nonetheless, the new law will have far-reaching consequences for the whole of society.

The draft law "On the Federal Security Service Organs" provides for the establishment of effectively a new special service with broad powers. The Federal Counterintelligence Service [FCS] will operate under a new name—Federal Security Service [FSS]. The head of the new organ, the FCS's rightful heir, will have ministerial status and the rank of army general. The FSS' sphere of activity will be considerably wider. It will engage in counterintelligence and intelligence and in fighting crime. A number of the powers that the FCS lost as a result of reorganizations will be restored. The new special service will be entitled to carry out preliminary investigations and will have its own detention centers and special units. FSS agents will carry out intelligence operations outside the country. And we are not just talking about such assignments as the recruitment of "new Ameses." The FSS will have the job of gathering information abroad for the purpose of, as the draft law says, "enhancing the economic, scientific-technical, and defense potential" of the country. In this sphere the security service will inevitably be in competition with the foreign intelligence bodies, despite the fact that the draft law envisages collaboration between them.

With the new law's promulgation the campaign to drive out the specter of the KGB is expected to be over. In the course of it the instrument of totalitarianism has been dismantled and deactivated. The drafters of the law believe that it will help overcome the feeling of despondency in the ranks of the Russian special services and improve their morale and efficiency.

Aleksey Aleksandrov, chairman of the State Duma national security subcommittee, has no illusions that the new law will help establish order in society. According to Aleksandrov, who headed the conciliation commission on the draft law, it is now extremely important to preserve the professional potential of the special services, which has been squandered as a result of ill-conceived efforts at reorganization. "Counterintelligence officers have proved to be the least susceptible of all to corruption, and the criminal organizations have so far failed to infiltrate their ranks," Aleksandrov believes. "If the corruption spreads to our special services, we can say good-bye to the state."

The name change will not involve a cadre shakeup. Aleksandrov announced that the conciliation commission had written a special article into the draft law ruling out the recertification and reappointment of FSS staffers and any personnel organization changes.

It is not yet clear what the Federal Security Service will look like. The structure and organization of its activities will be determined by a special statute to be approved by the president. But independent experts discern in the draft law the idea of creating a "superorgan," which the president will be able to rely on. It is believed that the need for it will grow, particularly in the light of the expected elections or their cancellation. It has been suggested that the FSS will bring together under one roof the FCS and the Main Security Administration [MSA], headed by Mikhail Barsukov. If so, there is no doubt that the head of the new service will be General Barsukov rather than Sergey Stepashin, current director of the FCS.

The chairman of the National Security Subcommittee has no information on this score. At the same time, Aleksandrov does not rule out the possibility of a merger between the FCS and the MSA if only because Barsukov's administration, unlike counterintelligence, does not have its own territorial structures, even though its function is to provide security for state organs locally. Moreover, according to the deputy, the new special service could also incorporate the Federal Agency for Government Communications and Information. On the other hand, the External Intelligence Service must remain independent. It is also inadvisable to include in the FSS structure the president's Security Service, headed by Aleksandr Korzhakov: "Gorbachev's security chief was once made answerable to Kryuchkov. We all know what that resulted in."

Irrespective of the way the reorganization turns out, there are serious doubts whether society will have any control over the new special service's activities. The parliamentary control mechanism provided for in the draft law is very weak, Aleksey Aleksandrov admits. He puts this down to the restrictions contained in the Constitution. Under it parliament is entitled to hold closed hearings on matters connected with the special services' activities. The effectiveness of these measures from the control viewpoint is practically zero. Parliament can also influence the activities of organs through the formation of the budget. But appropriations for their needs are a strict secret. Aleksandrov intends to get the main expenditure items in this sphere made public. The social condition of every taxpayer depends on the state of affairs in this sphere.

Voks Radio Station Director Murdered

LD2103042695 Moscow Radiostantsiya Ekho Moskvy in Russian 0300 GMT 21 Mar 95

[FBIS Translated Text] (Aleksey Khropov), director of the independent radio station Voks, has been murdered in Moscow. His body was found in a car several days ago but was identified only on Monday [20 March]. Nothing is known yet about the motives for the murder. Radio Voks has not been on the air for about a month because of the installation of a new transmitter.

Radio Station Director Killed in Car Crash

LD2103133695 Moscow ITAR-TASS World Service in Russian 1251 GMT 21 Mar 95

[By ITAR-TASS correspondent Larisa Kislinskaya]

[FBIS Translated Text] Moscow, 21 Mar—The details of the death of Aleksey Kropov, director general of the Moscow-based "Voks" private radio station, are now known, the ITAR-TASS correspondent was told today at the district internal affairs directorate of the town of Khimki, Moscow Oblast.

On the night of 15-16 March, a fatal road accident occurred on the 19th km of the Leningrad highway, when a Ford crashed into a Moskvich car. The Moskvich passengers were unhurt, but the Ford driver was killed. He had no documents on him, and his identity was only established on Monday [20 March]. It turned out that he was Aleksey Kropov. The circumstances of the accident are being looked into.

Media Issues

New Director of Russian Public Television Appointed

LD2003182795 Moscow ITAR-TASS in English 1818 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow March 20 TASS—Sergey Blagovolin has been appointed general director of Russian Public Television.

He will replace the late TV star Vladislav Listyev who was assassinated in the entrance to his apartment house on March 1.

Blagovolin, doctor of economics, is head of the Russian Public Television Analytical Center and a member of the Presidential Council.

Blagovolin is an expert in economics and management.

Ostankino TV Staff Call for Suspending Russian Public TV

LD2003205795 Moscow INTERFAX in English 1735 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow, Mar 20 (Interfax)—The staff of Russia's official Ostankino Television and Radio Company have called for the suspension of a presidential decree that orders the newly-founded Public Russian Television to start broadcasting from April 1.

Ostankino's staff, meeting Monday, also issued an appeal to President Boris Yeltsin to appoint today's chairman of the Federal Television and Radio Service, Valentin Lazutkin, head of Ostankino, to replace Aleksandr Yakovlev, who resigned last week.

"Unless a government document to that effect comes out, what will be running on Channel 1 from April 1 will still be programs with the Ostankino logo," Ostankino Deputy Chief Grigoriy Shevelev told the meeting. He also warned that the Association of Independent Television Companies, which comprises REN TV, VID and ATV, was leaving Public Russian Television's board of founders.

Members of Ostankino TV, Radio Company Issue Resolution

LD2003225295

[FBIS Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1910 GMT on 20 March carries a 10- minute unscheduled, "special" program entitled "Ostankino—SOS" on a meeting held by staff working for Moscow Ostankino Television.

The meeting passed a resolution calling on the Russian president to suspend his decree dissolving the station. Members of staff who addressed the meeting were unanimous in their condemnation of the station's former boss Aleksandr Yakovlev and of his behind-the-scene role in the setting up of ORT, the Russian Public Television channel, which, according to Russian President Boris Yeltsin's edict Number 2133, is soon to take over the Ostankino frequencies.

The resolution passed by the workforce of the Ostankino State TV and Radio broadcasting company and dated 20 March 1995 was read out by an unidentified narrator over footage of the meeting:

"The workforce's meeting unanimously demands the suspension of the presidential edict Number 2133, which fails to correspond to society's interests from either a political, moral, or economic viewpoint. In connection with Aleksandr Yakovlev's resignation from the post of chairman of the Ostankino TV and Radio broadcasting company, the workforce of the company asks the President of the Russian Federation Boris Nikolayevich Yeltsin to regard the proposal by the Russian State Ostankino TV and Radio company to enter the Public Russian Television joint stock company of the closed type as null and void, having been uttered by a private individual who is not connected with our TV company.

"The Ostankino State TV and Radio broadcasting company's workforce meeting is of the view that Ostankino should fully retain its broadcasting functions using the first Ostankino channel and that a state license ought to be issued to it."

Military, Nuclear, & Space Issues

Military Chief: Ground Forces Should Form Basis of Army

LD2103121495 Moscow ITAR-TASS in English 1133 GMT 21 Mar 95

[By ITAR-TASS correspondent Anatoliy Yurin]

[FBIS Transcribed Text] Moscow March 21 TASS—The Russian ground force should be brought up to full strength and manned with the best soldiers, Commander-in-Chief of the ground force Colonel General Vladimir Semenov told ITAR-TASS in an exclusive interview. According to Semenov, the call-up problem is especially acute in the zone of the Chechen conflict. 60 percent of soldiers and non-commissioned officers will soon be transferred to the reserve there. The army's demand in new soldiers, which amounts to 300,000, is met only by ten percent, and this is the most important problem. This is why, he continued, many military districts have 35-40 percent of the military personnel they need, and only 10-20 percent of rank-and-file men.

The ground force makes up 30 percent of the full strength of the Armed Forces, Semenov said. Thus is very different from the generally accepted world practice. In the United States and Britain the ground force is by far the biggest group in the Army, in Germany and France it also holds the first place (60-70 percent), while in China the figure is even greater. "In Russia the share of the ground force is unreasonably small, which is very dangerous in the current situation and in the territorial conditions, typical of this country," General Semenov believes.

In his opinion, the share of the ground force in the Russian Armed Forces should be brought up to 50 percent, because for a long time to come it will be the basis of the Russian Army. "Statements of some officials and public figures, who are no specialists in military affairs, about the need for liquidating the chief command of the ground force and replacing it with some department, whose functions are not quite clear, have nothing to do with the reforming of the Army and are dangerous for the national interests and the security of the state," General Semenov stressed.

CW Expert Denies Russia's 'Chemical Aggressiveness'

MM2103110495 Moscow KRASNAYA ZVEZDA in Russian 21 Mar 95 p 3

[Article by Aleksey Nikolayevich Kalitayev, honored figure of science and technology of the Russian Federation: "'Experts' Provoke Panic When They Venture To Discuss Chemical Weapons"—first paragraph is KRASNAYA ZVEZDA introduction]

[FBIS Translated Text] Recently, the mass media have started to publish increasingly frequently items devoted to problems of chemical weapons. Unfortunately, they are often built on some partial information from that field and are of a blatantly biased nature. Aleksey Nikolayevich Kalitayev, honored figure of science and technology of the Russian Federation, a leading specialist on chemical weapons and their destruction, voices his view of such items in the press.

Take as an example one of the most irascible statements recently on the problems of chemical weapons (CW). "We prepared not to defend ourselves, but to attack. We prepared for total chemical warfare, for a war using all types of chemical weapons"—that was a statement by the not unknown Mr. L.A. Fedorov published by OBSHCHHAYA GAZETA 26 January 1995. And one immediately recalled the author's scandal-seeking nature noted in his former publications and his hostile attitude toward the army in general and military chemists in particular which makes difficult any objective assessment of the issues under examination.

What was Lev Fedorov's premise in accusing our country of an aggressive policy on this occasion? Conclusions are drawn simply on the grounds of the known fact that under threat from an outside chemical attack the Soviet Union took appropriate steps to create its own military chemical potential.

Without any grounds, Mr. Fedorov defines these defensive measures as follows: "what seems to be a counteraction, but is in fact preparation for attack." Nonetheless it is not for nothing that a subhead in the article says: "OBSHCHAYA GAZETA expert says the opposite." Opposite to what? To the truth, to the actual state of affairs?

Let us turn to the widely known facts and make some comparisons.

1. The United States stated soon after World War I: "Let the whole world know that we shall use gases against all troops which fight with us and that we plan to use gases to the furthermost limits of our skill."

The Soviet Union. Order of People's Commissar of Defense No. 154 dated 21 July 1929: "The chemical weapons indicated in the field service regulations will be used by the Red Army only if our enemy uses them first."

2. The USSR was one of the first to sign and ratify the 1929 Geneva protocol banning chemical weapons.

The United States ratified the Geneva protocol under public pressure only 50 years later.

3. The USSR never used chemical weapons anywhere.

The United States used chemical weapons in 1952 in Korea. That country waged a wide-scale chemical war against the peoples of Indochina, causing about 2 million human casualties there and inflicting enormous ecological damage on the region.

But here is the statement of the Stockholm international research institute for peace problems made back in 1971: "The Russians have never been the initiators in the creation of chemical weapons or supporters of the chemical arms race. The Soviet Union like, indeed, pre-Revolutionary Russia, has never displayed a desire to wage an offensive chemical war. The West's supremacy in the chemical industry has led to the point where Soviet interests have been focused mainly on measures to ensure defense."

To this we should add that the Soviet Union (like Russia), understanding the danger of unleashing chemical warfare and aware of its responsibility to mankind for its fatal consequences, has waged a constant struggle for the banning of chemical weapons and the destruction of all accumulated stocks which culminated in the signing in Paris in 1993 of the convention on banning chemical weapons.

After that can one speak of Russia's "chemical aggressiveness?"

There is a particular misunderstanding in the final paragraph of the article in which the author tries not only to accuse the army, but also to sow panic among the population: "Chemical weapons are in the possession of the Russian Army and a situation is entirely likely when the decision to use them could be taken by people who are simply 'field commanders.'" Mr. Fedorov has not taken the time to find out that in peace time chemical weapons are not stored in units and formations and their commanders never have the opportunity anywhere to use chemical weapons independently.

Voronezh Authorities Want Military Site Closed

LD1503210095 Moscow ITAR-TASS in English 2047 GMT 15 Mar 95

[By ITAR-TASS correspondent Anatoliy Starukhin]

[FBIS Transcribed Text] Voronezh March 15 TASS—The Voronezh region authorities said that they intend to ask the Russian Government to close a military testing site located near the Novovoronezh nuclear power plant.

Aleksandr Kovalev, head of the regional administration, told ITAR-TASS on Wednesday that the decision was prompted by an incident involving a combat missile that occurred last week and, fortunately, caused no serious damage.

The missile launched from a SU-25 fighter plane while on a training flight exploded near one of the villages on Friday, missing the nuclear power plant by slightly more than four kilometres.

Pyotr Tretyakov, head of the local civil defence service, said earlier this week that the crew lost control over the missile which exploded some 200 metres from the settlement of Arkhangelskoye, located just 4.5 kilometres from the Novovoronezh nuclear power plant.

In addition, a high-pressure gas pipeline runs along the boundaries of the testing site.

The outraged villagers demanded that the regional authorities and the commanders of the air force regiment stationed nearby stop training flights over their territory.

Kovalev said he intends to send a letter to the Russian Government and the Defence Ministry, explaining the reasons why the site should be closed from the region.

He noted that only people who completely lack common sense could build the site and the bomb testing range between a major city with more than one million residents and a nuclear power plant.

"This site has no right to be next to a nuclear power plant and next to a city with a population of one million," Kovalev said. He noted that thousands of hectares of forests, including those that were planted and raised with great difficulty by the local population, were annually burnt down in the region as a result of shooting and bombing exercises.

However, Lieutenant-General Boris Kazankin, commander of the Air Force Army, is of a different opinion and tends to explain the incident by an "ordinary technical malfunction."

Meanwhile, the residents of the village of Arkhangelskoye, having recovered from the shock and received compensation, are busy undoing the minor damage caused to their homes: replacing the shattered window panes, fixing green houses and buying new TV-sets instead of their old ones destroyed by the shock wave.

The nuclear power plant management warned the leaders of the Rosenergoatom concern that the consequences could have been much more serious if the missile had landed on the territory of the plant.

Vladimir Zarubayev, the plant chief engineer, said that only one out of five nuclear reactors is properly protected from such falls either of a missile or even a plane. The reactor is located nine metres under the surface and is covered with a one-metre layer of concrete, he said.

Zheleznogorsk Nuclear Plant Construction Protested

LD1903091595 Moscow ITAR-TASS in English 0706 GMT 19 Mar 95

[By ITAR-TASS correspondent Yuriy Khots]

[FBIS Transcribed Text] Krasnoyarsk March 19 TASS—More than 1,500 signatures have been collected by the inhabitants of villages located around the city of Zheleznogorsk (formerly Krasnoyarsk-26) in protest against a continuation of the construction of a nuclear fuel regeneration plant there.

A resumption of work at the construction project is provided for by the Russian president's recent decree concerning the further destiny of the Krasnoyarsk rock chemistry complex, at which weapons-grade plutonium was produced until recently.

Villagers point out in their letters that due to the secrecy surrounding the operation of the rock chemistry complex for almost 40 years, they were unaware of radiation danger threatening them. Thousands of tonnes of liquid nuclear waste are kept in the plant's subterranean storages.

In the meantime, Vladimir Tetelmin, a deputy to the State Duma from Krasnoyarsk and Dr. of Science (Technology), and other Siberian scientists and representatives of the general public suggest that other programmes for the conversion of the rock chemistry complex to civilian uses be considered, such as the establishment of the production of hydrogen peroxide, rare-earth metals and specifically niobium, which is reckoned the metal of the 21st century.

But all these plans, in their view, are not even considered because of the nuclear sector's intent to promote its own interests.

Agents Arrest Man Attempting To Sell Radioactive Material

WS2003153095 Kaliningrad YANTARNYY KRAY in Russian 2 Mar 95 p 1

[Unattributed report: "'Trader of Radiation' Has Been Arrested"]

[FBIS Translated Text] Agents from the anti-organized crime department in the Interior Affairs Administration have detained a man in the town of Chernyakhovsk after he attempted to sell a container with radioactive material.

The "trader of radiation" has been arrested. By the way, he is a former senior Army officer and now faces criminal charges.

The container is cylindrical and made of aluminum. It contained a box, in which the radioactive substance was placed in a glass capsule.

Experts in charge of nuclear and radioactive security conducted an examination and established that the container held strontium-90 and yttrium-90. The radiation level around the container itself measured 10-16 micro-Roentgen per hour (normal background radiation is 8-12 micro-Roentgen per hour) while it measured 545 milli-Roentgen per hour with the container and box opened. Experts believe that such substances can be used in the air and space industry. Final conclusions, however, will be provided after the investigation is complete.

Incidentally, the trader wanted to sell the container for $150,000.

Crews Complete Joint Expedition on Mir Space Station

LD2003155095 Moscow ITAR-TASS World Service in Russian 0959 GMT 20 Mar 95

[FBIS Translated Text] Flight Control Center, 20 Mar—The joint flight of the 17th and 18th crews of the main expedition on the Mir station is nearing completion.

In accordance with the Russian-American Mir-Shuttle program, today Valeriy Polyakov and Norman Thagard are carrying out a series of experiments designed to determine the composition of gas in the compartments of the complex and to study the effect of space flight conditions on man's psychological state and professional habits. Vladimir Dezhurov and Gennadiy Strekalov are conducting research into the characteristics of ultraviolet and ionized cosmic radiation.

Preparations are continuing for the descent from orbit of the 'Soyuz TM-20' spacecraft, in which Aleksandr Viktorenko, Yelena Kondakova, and Valeriy Polyakov will return to earth. Today the cosmonauts are packing flight documentation and materials relating to research and experiments carried out into the descent module.

An on-board news conference of the international crew for Russian and foreign correspondents accredited to Flight Control Center will take place this evening.

Federal Assembly

Duma Deputies Draft Law on Local Self-Government

LD1503223795 Moscow ITAR-TASS World Service in Russian 1659 GMT 15 Mar 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Text] Moscow, 15 Mar—The draft federal law "On the General Principles of the Organisation of Local Self- Government in the Russian Federation," drawn up by a group of deputies from the lower house headed by Igor Muravyev, member of the deputies' group "New Regional Policy," was passed in the first reading today.

Igor Muravyev noted that the bill provides for the independence of local self-government within the bounds of its remit, the search by local bodies for new forms of activity, and protection of the rights of the population to self-government. The separateness of the bodies of local self-government from the system of bodies of state power, their appointment by election, and their accountability for decisions taken is envisioned.

The draft law stipulates that no part of the federation's territory can be excluded from the sphere of local self-government. The territorial organization of local self-government is based on the existing system of administrative-territorial organization.

Federation Council Sets Agenda for Three-Day Meeting

LD2103115195 Moscow ITAR-TASS in English 1134 GMT 21 Mar 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow March 21 TASS—A regular meeting of the Russian Council of the Federation (upper house of the parliament), which opened here today, will last three days. This was decided by the MPs after a one-hour debate on the meeting's agenda. They are to attend an enlarged meeting of the government in the Kremlin on Friday, which plans to discuss a programme for Russia's economic development in the period from 1995 to 1997.

The members of the chamber decided to devote the second half of today's meeting to the 1995 federal budget, earlier approved by the State Duma (lower house of the parliament). In accordance with the Russian Constitution, they must either endorse or reject it. The next two days will be devoted to the discussion of the laws on banks and banking, on the state regulation of tariffs for electricity and heat, and to the bill on the right of property to cultural values moved to Russia during the Second World War. The MPs have decided to discuss the State Duma's decision of March 10 "on Acting Procurator-General of the Russian Federation Aleksey Ilyushenko", the work of courts in 1994 and some problems, cropping up in the course of the reform of the Russian judicature. The agenda's "miscellaneous" section includes problems linked with the implementation of the council's resolution on Russian armed units deployed outside the territory of the Russian Federation.

The question of lifting U.N. sanctions against the Republic of Yugoslavia was included in the agenda as an additional item. It will be prepared by the Committee for Security and Defence and the Committee for International Affairs. The question linked with the situation in the Crimean Republic did not get the necessary number of votes to be included in the agenda. The same fate befell the motion to address an interpellation to the Constitutional Court on the events in Chechnya even though it was revoted in reply to a demand from several MPs. The chamber agreed to consider the problem of rendering urgent assistance to Russian agriculture. The motion to hear reports by the heads of the First and Second Channels of the Russian Television network on their work with subjects of the federation did not get the necessary number of votes, too.

Chairman of the Committee for International Affairs Vladimir Podoprigora informed the chamber that somebody broke into his office room and stole several documents on March 14, when he was away on a mission. He did not disclose any details. The MPs instructed the chamber's commission for procedures to investigate the case, since an obvious violation of the law on the status of a parliament member had occurred.

The meeting of the council is being chaired by speaker of the upper chamber Vladimir Shumeyko.

Deputies Write to Yeltsin About Concerns

LD2003162195 Moscow INTERFAX in English 1401 GMT 20 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 20 (Interfax)—A group of Federal Assembly deputies have sent a letter to President Yeltsin expressing their concern about "the aggravation of the social and political situation, caused by systematic violations of Moscow's rights as a constituent member of the Russian Federation by the federal executive bodies." The letter was received by Interfax on Monday [20 March].

The authors write that "the government is Moscow's debtor and does not take part in the financing of federal and state programs for the development of the Russian capital, including the reconstruction of projects of state importance, such as Bolshoy Theater, the State Library and the Moscow underground." Neither does the government finance preparations for the celebrations of the 850th anniversary of Moscow or the 50th anniversary of the victory over fascism, the document goes on to say.

They deputies also write that the latest instance of violating the constitutional rights of Moscow was the decision of the acting prosecutor-general and interior minister to dismiss Moscow's prosecutor and head of the Moscow interior department. "These decisions go against the constitutional provision on the subjects of joint competence, and against the presidential decree on the procedure of appointing and dismissing leaders of the Moscow interior department," the letter says.

Such practices in relation to Moscow "are slowing down the development of the Russian state system and undermine law and order," says the letter. The deputies expressed special concern about "the real danger of disintegration of the Moscow law-enforcement bodies, and economic and social destabilization in Moscow."

They urged the president "to restore the state and legal norms in relation to Moscow", violated by some of the executive bodies subordinated to him.

Among the deputies who have signed the letter are Zaslavskiy, Bunich, Zadonskiy, Osovtsov and Yakunin.

Party Spokesmen View Yeltsin Message

954Q0152A Moscow NOVOYE VREMYA in Russian No 8, Feb 95 (signed to press 21 Feb 95) pp 6-7

[Unattributed roundup of deputies' comments: "Double-Headed Eagles Are Found Only in Heraldry: No One Accepted the President's Message to Parliament, But Each Found Something Agreeable in It"]

[FBIS Translated Text]

Art of 'Double Vision'

Mikhail Molostvov, Russia's Choice Faction

The president's aides worked well in rounding out each phrase in the message to the condition of a pea jumping away from our reality. Were I to live in a world as remote from today's realities as this message, I would, most likely, approve of it even.

I was confused by just one aspect: First on the stage was Zhirinovskiy, and only then the president and both speakers. This seemed to me very symbolic.

The message speaks very nicely about the fact that the state must not cross the line beyond which total turmoil begins. But I am afraid that if, as before, we shake the air with words about human rights and in practice continue the undeclared internal war and decide questions by force, our Vladimir Volfovich with his "last push to the south" will prove right. For he has already played his part to some extent.

The president's message is a dazzling specimen of the great art which is called "double vision." I did not have any particular expectations, for that matter. A person cannot sit on two stools continually. Double-headed eagles are found only in heraldry. The president is forced to occupy a certain position. I would like to see certain words in the message as some friendly signal to the democrats, but we should not, I fear, deceive ourselves.

Like the Apostle Paul...

Vladimir Semago, Communist Party of the Russian Federation Faction

We expected practically nothing. The vague hope that some constructive ideas would be heard was unwarranted. Taking others' ideas and passing them off as your own is a flawed practice. Yet this is what the president did with the ideas of the opposition: defense of sovereignty, a strengthening of the public sector, and such like.

The message is a manifest attempt to hold on to office. And even if behind this there is a sincere desire to help the country, a political struggle, in the plane of which this message is directly located, is, I believe, harmful at this time.

Yeltsin abandoned on this occasion the format according to which last year's message had been built. Everything there was filled with specified commissions: such and such to be done for this, such and such for that. Like, generally, the briefing of a plant's chief engineer. Today the president attempted to distance himself from what is happening. A kind of Paul the Apostle, who sits and says: All is bad.

A desire to please everyone did not show through in the last message. It was addressed to the democratic parties. Today, however, it was addressed, I repeat, from the top and to all: I am with you, my children.

This is an attempt to create for himself a new image. But with the explosions in Chechnya this attempt can lead nowhere.

Not a Single Specific Undertaking

Boris Fedorov, Union of 12 December Group of Deputies

The list of problems that exist in Russia was enumerated. In quite general and quite incomplete form. There was, in my view, no fundamental assessment of who is to blame in the crisis of power. The leitmotiv of the whole message is that the authorities are weak and the constitution has not become a law of direction operation. But all this is within the competence of the executive, which holds all the levers of influence on the situation. But it does not know how to avail itself of them.

The message contains no assessment of the authorities' activity in Chechnya. No one is to blame, apparently. Merely a number of factors which formed the basis of the Chechen crisis was proclaimed, but there was not a single indication of the authorities' mistakes.

The list itself is highly reminiscent of the guidelines of some CPSU congress: All the problems are enumerated, but there is not a single specific undertaking, not a single indication of the path of a solution. Even the question of the impermissibility of a postponement of the elections was essentially skirted. The president merely declared that he would not hold elections in accordance with his own edict but would entrust this to the Federal Assembly.

I was astonished by a phrase at which the president himself smiled: We will no longer adopt decisions for which provision is not made in the budget. At my instigation he signed in June 1993 an edict according to which economic decisions that had not been budgeted must not be adopted. Now commissions considering laws and edicts not backed by money are being created. I did not, unfortunately, hear an assessment of the mistakes that had been made in the economy.

The policy of our government amounts to a see-sawing between super-strict monetarism, which, incidentally, neither Fedorov nor Gaydar propounded, and financial populism. Clampdown—distribution. Real economic policy cannot be confined merely to such regulation.

The president declared: I said last year all I am saying about taxes. It might be thought that there was tax reform last year. Yet increasingly fewer taxes are being collected, and they are becoming higher and higher.

A short list, of five points, of priority and specific measures should have been given. This message might then have been heard. And there would then have been a document that could have determined the life of the country in 1995 in the financial and industrial sphere. But at this time no one can say: Yes, we will live in accordance with this document.

Arbitral Style

Gennadiy Burbulis, Independent Deputy

The message was not an event, not a revelation. At the same time we need to try yet again to trust Yeltsin's good intentions and to help him.

I was not expecting anything special of the message. For me this is the sole constitutional provision requiring the head of state to publicly formulate his strategy for the calendar year. For others it is some thinking out loud, which the president sometimes does, before the legislators included.

Of course, all that has happened in the past six months has had a certain concealed pre-election motive. Nor can the message bypass this magnetic field either, evidently. But for me the question of presidential election prospects is perfectly clear.

But the message revealed one further nuance. A model of power whereby the president becomes a political arbiter has been cultivated with us for a long time. And despite the fact that actual practice has long been entirely different, the ritual aspect of behavior is oriented toward an "arbitral" style.

General Secretary's Report

Aleksandr Vengerovskiy, Deputy Chairman of the Duma, Liberal Democratic Party of Russia Faction

The first message of the president a year ago was reminiscent of a party-economic activist meeting. There was at that time essentially neither a Duma nor a Constitutional Court. Now everything has settled down, and even a "collective treaty"—the Social Accord Treaty—no longer needs to be signed. And we now had a normal general secretary's report. In the best traditions, with all the sections—agriculture, science, education....

The message was for the first time written competently. There are no obvious contradictions. If serious, the section connected with the foundations of statehood was well written, in my view. And I, as a representative of the party that wrote this four years ago, am touched that the problem has finally been approached correctly.

The economic section would seem to be underdeveloped because it is hard to understand what kind of economic reform is taking place with us. The question concerning state administration was written pretty much in abstract fashion, and the Kremlin meeting on problems of local government that was held the following day showed that this topic may be discussed precisely the other way about also.

Our party's position amounts generally to the fact that we had already forgotten this message by evening and awoke in the morning with entirely different thoughts. Although, as I have observed, the Russian elites—financial, party, regional—welcomed the message. Evidently because each found in it something pleasing for himself. Had this not been the case, the meeting would have ended in failure.

But there could still be failure, if the message is not supported by the adoption of the budget in its final reading. In addition, the final reading of the budget will be a summation, as it were, of the results following the president's message.

Traces of Struggle

Viktor Sheynis, Yabloko Faction

The message is interesting in that all its basic propositions could have been forecast in advance. It contained the maximum of what is acceptable to all, but circumvents the most acute and serious matters. True, I was gratified by the assertion that the elections should be held on time. But the question of the formation of the Federation Council is skirted here. And this is a minefield, in my view.

The same with the economic part of the message also. All the declarations are fine, but how are they combined with the budget, which is patently impracticable?

The message bears clear traces of profound political struggle. But the real correlation of forces remained concealed, for there is practically nothing in the text that could give rise to a serious polemic.

The message has nothing inspiring to say about Chechnya. True, the fact that the stimulation of peacemaking steps occurred practically simultaneously with the president's speech is somewhat reassuring here. The president deemed it necessary to address the Federal Assembly during the truce. And my guarded optimism is linked only with this.

Not... Not... Not...

Stanislav Govorukhin, Democratic Party of Russia Faction

I did not see it, I did not listen to it, I have not read it. It is of no interest to me.

CDU Head Urges Amendments to Law on Deputy Status

MK2103101095 Moscow SEGODNYA in Russian 21 Mar 95 p 2

[Report by Vera Brycheva under the "Impunity" rubric: "Criminals Brush Aside Justice Using Deputy Cards. Parliamentarians Interpret Immunity Too Broadly"]

[FBIS Translated Text] A press conference organized by the Christian Democratic Union was held in the State Duma building yesterday. Its chairman, Vitaliy Savitskiy, told the gathered journalists that he thinks it is necessary to make a number of amendments to the law "On Deputy Status." The cases in point are Articles 18, 19, and 20, which deal with deputy immunity. This is especially topical now, Mr. Savitskiy stressed, because taking part in the last elections for State Duma were mainly major financiers. Law and order organs are investigating cases implicating some of them. It is virtually impossible, however, to continue probes into offending deputies owing to their immunity. Mr. Savitskiy thinks that unless the law "On Deputy Status" is substantially amended in the very near future, our society will soon have a completely crime- ridden legislative authority.

Viktor Kamyshanskiy, a General Prosecutor's Office spokesman who was present at the press conference, cited several specific examples and figures. Between 1993 and 1994, investigative organs dealt with cases of 344 deputies at various levels who committed criminal offenses. Notably, one in two deputies managed to evade punishment. As little as 13 percent of the offending deputies were indicted. People's choices are on record as having committed the most diverse offenses, ranging from battery to premeditated murder with aggravating circumstances. The greatest number—28—of deputy-committed crimes was in Tatarstan and Mordovia (with 21 having evaded punishment.) Embezzlement is widespread. One has to institute criminal proceedings before it is possible to collect evidence in this sort of crime. It is practically impossible, however, to get deputy corps consent for this. Thus, Mr. Kamyshanskiy stressed, it is a vicious circle resulting in a law- enshrined impunity for a part of society.

Citing all the above examples, Mr. Kamyshanskiy stated that the General Prosecutor's Office has nothing against the very idea of the term "immunity." The institution of immunity does exist in the systems of law in virtually all countries. In England, however, for example, it primarily applies to deputies' parliamentary activities but has nothing to do with the institution of criminal proceedings. As for the elected here in this country, when passing the "Law on Deputy Status," they widened their entitlements and even freed themselves from the need to give testimony and help justice, which is a citizen's duty.

Insisting on amending the "Law on Deputy Status," Vitaliy Savitskiy warned that criminal structures will be taking an active part in the upcoming election campaign. By giving them immunity status, society for all intents and purposes permits them to evade punishment.

Duma Commission Investigates Background to Chechen Crisis

LD2003163395 Moscow ITAR-TASS in English 1528 GMT 20 Mar 95

[By ITAR-TASS correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow March 20 TASS—How Dzhokhar Dudayev's regime rose to power in autumn 1991 was the agenda of today's open meeting of the Russian State Duma's commission which was set up to enquire into the background of the Chechnya crisis.

Former Russian Secretary of State Gennadiy Burbulis in his testimony blamed the former Soviet leadership and the then parliament chairman Ruslan Khasbulatov for provoking secession of Russia's autonomous republics.

Burbulis said the Novo-Ogaryovo negotiations on preservation of the USSR on a renewed basis "provided a nutrient medium" for Chechnya's breaking away.

The visit of Khasbulatov to Chechnya in autumn 1991 in a bid to court it back into line only "precipitated further developments in Checheno-Ingushetia", Burbulis said.

As for a state of emergency imposed by central authorities in Chechnya in November 1991, Burbulis said he opposed the move, but "the Russian president did not accept" his position.

Chechnya's situation in the autumn of 1991 was indicative that Checheno-Ingushetia's parliament chaired by Doku Zavgayev was not workable, Burbulis said. He admitted that he trusted Dzhokhar Dudayev at that time more "than he deserved".

Burbulis denied his part in Russia's federal concept "take as much sovereignty as you can", at the same time admitting his partial blame for its advent.

Former chairman of Checheno-Ingushetia's Council of Ministers Sergey Bekov told the commission that the republic's cabinet was in touch with the Russian central leadership until collectively resigning on November 18, 1991.

Bekov stressed that the Council of Ministers was in control of the economic situation in Chechnya until early November 1991. The council would have to quit already in mid-September 1991 if it was not protected by the Chechen-Ingush Interior Ministry.

Recalling the assault of the Chechen Parliament, of which he was a member, on September 6, 1991, Bekov said later on that day the parliament was invaded by "an extremely aggressive crowd armed with sticks and iron rods". Bekov said he saw no arms in the attackers' hands or battering of parliamentarians by the mob.

Bekov said he thought the advent of Dudayev and his lieutenants to power in 1991 was supported by part of the Russian leadership. He said the Chechen Council of Ministers did not allocate anything for Chechnya's 1991 presidential election, and he did not know who funded it.

The commission's hearing was attended by Russian former Press and Information Minister Mikhail Poltoranin and former Chechen Parliament Chairman Doku Zavgayev.

Other has-beens invited for testimony were President of the USSR Mikhail Gorbachev, Russia's Prosecutor-General Valentin Stepankov and presidential national policy aide Galina Starovoytova, but all could not attend for various reasons, Gorbachev's being ill-health. Former Russian Security Minister Viktor Barannikov defaulted despite previous agreement to stand before the commission.

Rybkin: Duma Supports Government's Peace Plan for Chechnya

LD2103121095 Moscow INTERFAX in English 1036 GMT 21 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 21 (Interfax)—Russia's State Duma, the lower house of the Russian parliament, "supports the government-proposed plan for settling the Chechen crisis and will possibly give it the status of a law," State Duma Chairman Ivan Rybkin told a delegation of the European Parliament in Moscow Tuesday [21 March].

"We shall make our own corrections, but most of the proposals will be supported by the deputies," he said.

The three-stage plan for the Chechen settlement, approved by Prime Minister Viktor Chernomyrdin, provides for "setting up zones of mutual non-use of force in which illegal armed formations will be disarmed"; a peace dialogue on the establishment of government bodies; democratic elections to local governments and the Chechen parliament; and the election of Chechen representatives to Russia's Federal Assembly.

The document provides for setting up a "committee for national accord" which will temporarily represent executive bodies during the transitional period pending elections.

Head of the European Parliament's Group for Relations with Russia Constance Krehl told Rybkin that most of the European Parliament members would ratify the agreement on partnership between Russia and the European Union after combat operations in Chechnya are terminated and violations of human rights stopped.

She said that the European Parliament does not doubt the need to preserve Russia's territorial integrity and is ready to back the settlement of the crisis financially and in terms of humanitarian aid.

Speaking about the State Duma decision to remove Sergey Kovalev from the post of commissioner for human rights, which was condemned by the European Parliament, Rybkin said that after the State Duma passes a law on the commissioner for human rights, it will reconsider Kovalev's candidacy.

Zavgayev on Moscow's Role in 1991 Chechnya Coup

LD2003163595 Moscow INTERFAX in English 1517 GMT 20 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 20 (Interfax)—The 1991 state coup in Chechnya, "when the parliament was dissolved, was mostly plotted in Moscow," former first secretary of a Soviet Communist Party regional committee and ex-chairman of the parliament of the Chechen-Ingush Republic Doku Zavgayev, currently in the Russian president's administration, told the State Duma during the second open session of the Duma commission for investigating the causes of the Chechen crisis.

"Undoubtedly, those Chechen leaders who had amassed criminal capital by that time, entangled a number of Russian politicians in the plot," he said.

He backed his supposition by the fact that according to the republic's KGB, Dudayev held "intensive telephone talks" with the parliament of the Russian Federation, and fire arms were brought to Groznyy from Moscow in several cars, accompanied by the police, for participants in the pro-Dudayev rally.

He also announced that on August 25, 1991, he received "right from the rally," a government telegram, signed by former parliament speaker Ruslan Khasbulatov, which accused him of supporting the State of Emergency Committee. The parliament of the republic was instructed to convene a session and remove Zavgayev from his post. The vacancy was to be filled by Salambek Khadzhiyev (the current head of the Chechen interim government). "Otherwise, the parliament of the republic will be dissolved," the telegram said.

Khasbulatov, who was present at the session, confirmed that having failed to get in touch with Zavgayev by telephone, he did send such a telegram to several addresses in Chechnya. This happened "immediately after the talks with Boris Yeltsin and on Yeltsin's initiative," said Khasbulatov.

He also said he did not remember who of the Burbulis-Poltoranin delegation members had initiated the idea of the self-disbandment of the republic's parliament, and added that after September 6, 1991, "this seemed the only correct solution" to him.

Federation Council Committee Urges Budget Be Passed 21 Mar

MK2103091095 Moscow SEGODNYA in Russian 21 Mar 95 p 2

[Report by Yelena Tregubova under the "Federation Council" rubric: "Senate Will Apparently Approve Budget. Otherwise 'Everyone Will Start Running With Their Requests... Agrarians, the Defense Sector...'"]

[FBIS Translated Text] Today the Federation Council is due to approve the 1995 budget, which was adopted by the State Duma last week. The senate committee in charge of the budget recommended at its meeting yesterday that the deputies approve the budget.

A few budget committee members categorically opposed the draft, however. For instance, Leonid Sablin, representative of the Communist Party and deputy chairman of the Nenets district legislature; and Gennadiy Antonov, Socialist Party member and deputy administration chief of the Jewish Autonomous Oblast, said that they would by no means vote for the budget until the agrarians are paid in advance "for grain." Deputy Antonov clarified in a conversation with your SEGODNYA correspondent that his comrades expect the Council of Ministers to take loans for the agro-industrial sector from the Central Bank so that the government, not the agrarians, will have to repay the interest.

Budget Committee Chairman Nikolay Gonchar stated during the committee's discussion on the budget that "unless the current draft budget is adopted, everyone will instantly come running with their requests, their projects—the agrarians, the defense sectors, and all others!"

Regional chiefs, threatening to derail the budget, have demanded that they be allowed to keep 10 percent of revenues from income tax and 25 percent from the profit tax. Nikolay Gonchar told his colleagues, however, that although this rate is not set forth in the budget, an agreement has been reached between Gonchar, Zadornov, and Panskov that 10 percent of the income tax will be deducted to the federal budget only on paper, but actually will be kept by the regions.

As a result, committee members agreed to phrasing that goes as follows: "To approve the budget, while recommending to the government that criticism be taken into account."

Deputy Yuriy Boldyrev, known for being a convinced opponent of the government's austere economic policy, admitted with annoyance to your SEGODNYA correspondent that he, too, would vote for the budget "since as long as Boris Yeltsin remains president, the economic concept will not change at all." Mr. Gonchar advised his colleagues to approve the document because if they start drawing up a new draft Russia, will remain without a budget till the end of the year once again.

Power Chiefs Brief on Probe of Prominent Murders

MK1803084095 Moscow SEGODNYA in Russian 18 Mar 95 p 2

[Report by Petr Zhuravlev in the "Account" column: "Aleksandr Men's Killer Will Soon Go on Trial. Which Is More That Can So Far Be Said About Those Responsible for the Deaths of Listyev and Kholodov"]

[FBIS Translated Text] Mikhail Yegorov, Oleg Gaydanov, and Nikolay Kovalev, deputy chiefs of the Ministry of Internal Affairs, the General Prosecutor's Office, and the Federal Counterintelligence Service respectively, at the invitation of State Duma deputies, yesterday briefed a house session on the progress of investigation of so-called "loud" crimes committed in the recent period.

According to them, "there is a definite accused person" in the Aleksandr Men assassination case, who has been arrested. The case can be submitted to court, General Yegorov believes.

The killing of Andrey Ayzderdzis has been "cracked," with nine suspects arrested, while several more, including the "chief accused," are still being hunted. When they are caught, the case will also be submitted to court.

In investigating the Sergey Skorochkin case, the sleuths have not made too much progress. "There are suspects; some have been detained," was all the deputy internal affairs minister could say. His colleagues added that the weapon with which the deputy was killed has been established and included in the case as material evidence. It was also said that the investigation team is now inspecting the books of several commercial structures that are engaged, like Skorochkin's firm in its time, in producing liquor.

None of those invited to the Duma said anything specific about the investigation of the assassinations of Dmitriy Kholodov and Vlad Listyev. "The evidence at hand makes us confident that the crime will be solved," the deputy general prosecutor said, commenting on the explosion in the MOSKOVSKIY KOMSOMOLETS editorial office. According to the deputy director of the Federal Counterintelligence Service, the type of explosive device has been established as well as the manufacturer of the briefcase in which it was planted.

Commenting on the course of the investigation into Vlad Listyev's assassination, Kovalev only reported "some positive results" in the work by a special 60-member group. Gaydanov, for the umpteenth time recently, added that "now there is more certitude that the crime will be solved than there was a week ago."

All three representatives of the power structures assured the deputies yesterday that they closely monitor the cases they reported on and that almost every working day in the Ministry of Internal Affairs, the General Prosecutor's Office, and the Federal Counterintelligence Service begins with a discussion of newly discovered evidence.

Yeltsin Rejects Amendments to Criminal Code

LD2103112995 Moscow INTERFAX in English 1036 GMT 21 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 21 (Interfax)—President Boris Yeltsin has rejected the amendments to the Russian criminal code passed by the State Duma (lower house of Russian parliament) on March 10 and returned them for another debate.

According to the presidential press service, a letter to Duma Chairman Ivan Rybkin explains the decision by the fact that the provision on responsibility for the organization of or involvement in unlawful armed formations contradicts the constitution.

The Duma supplemented the criminal code with an article which implies the possibility of capital punishment not only for the death of people but for mass violence or other gross damages.

In the opinion of the president the death sentence should be dropped or the article reworked dividing it into three, not two paragraphs with capital punishment only for premeditated actions by members of unlawful armed formations resulting in the loss of human life.

Federation Council To Appoint New Auditor

LD2103141895 Moscow ITAR-TASS in English 1347 GMT 21 Mar 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow March 20 TASS—Gennadiy Ponomarev, Moscow's former chief prosecutor sacked in the wake of the slaying of tele-journalist Vladislav Listyev, was nominated for auditor of the federal assembly's finance controlling body.

Ponomarev was nominated by the upper house committee for the budget and financial regulation. The nomination is due to be considered and approved by the Federation Council.

Under Russian legislation, the finance controlling body's deputy chairman and auditors are appointed by the Federation Council itself.

Committee member Aleksandr Belyayev told ITAR-TASS that Gennadiy Ponomarev and another nominee, president of the fund of social guarantees for army servicemen Igor Lazarev, had scored most votes in the course of the secret ballot held in the committee a day before.

Out of 27 candidates earlier nominated for the post, committee members also favoured Federation Council deputy Mikhail Beskhmelnitsyn and Aleksey Boyko, who works for the State Duma's budget committee's department of income control and analysis, for inclusion in the final voting list.

The Federation Council is expected to consider these candidatures and appoint a new auditor on Wednesday.

Duma Chairman Has Alternate Plan for Ostankino TV

LD2103124295 Moscow Radio Rossii Network in Russian 1100 GMT 21 Mar 95

[FBIS Translated Text] The preliminary results of the transformation of Channel One of state television into a joint-stock company were discussed at parliamentary hearings in the State Duma. Here with the details is our correspondent, Yevgeniy Zherebenkov.

[Zherebenkov] From the outset, false information has crept into the president's decree on improving Channel One and its broadcasting network, which has sealed the fate of Ostankino and handed over the broadcasting rights for the Channel One to the closed-type joint-stock company, Public Russian Television. This conclusion was drawn by Deputy Igor Yakovenko, head of the parliamentary commission for monitoring the flotation of Ostankino, in his speech at the hearings.

The wording of the first clause of the presidential decree, which says Ostankino's proposal on its inclusion in the Public Russian Television joint-stock company is to be accepted, does not correspond to the true state of affairs, since the Ostankino staff never took any decisions on this score. Igor Yakovenko told the hearings that none of those working at Ostankino, apart from Aleksandr Yakovlev, the head of the company, was aware of the plans to reorganize the Channel One.

Igor Yakovenko believes that the newly-created joint-stock company, which calls itself Public Russian Television, is not in fact public at all, since it does not propose to get its funding from viewers, but expects instead to be funded by the state and by commercial structures. Igor Yakovenko believes that the price that eight commercial structures were asked to pay for their share in the Public Russian Television was artificially low. In the West, the $1.5 million they have paid for the chance to control the main television channel would only be enough to make one quite low-budget film.

The Ostankino staff has been allocated just a nine percent share in the Public Russian Television, whereas to have any real rights, including the right to convene the board of directors, one has to have a 10 percent stake.

The parliamentary commission headed by Igor Yakovenko believes the state cannot accept the scheme for the use of Channel One proposed in the president's decree and that this scheme has to be changed. Igor Yakovenko proposed a compromise option, which envisages sharing airtime on the Channel One by means of a general agreement between Ostankino and the Public Russian

Television. The head of the parliamentary commission also believes that it is imperative that the State Duma adopt as soon as possible a law on special rules for the privatization of state television and radio organizations.

Senate Appeal to Yeltsin on Agriculture

MM2103104795 Moscow ROSSIYSKAYA GAZETA in Russian 18 Mar 95 First Edition p 4

["Appeal No. 380-I FC of the Federation Council of the Russian Federation Federal Assembly to Russian Federation President B.N. Yeltsin," signed by the Federation Council of the Russian Federation Federal Assembly and dated 1 March 1995, Moscow]

[FBIS Translated Text] Dear Boris Nikolayevich!

In your Message to the Federal Assembly "On Strengthening the Russian State (Main Directions of Domestic and Foreign Policy)" you declared your resolute support for the economy's agrarian sector. But practice shows that on the eve of the spring sowing campaign, as in 1994, the Russian Federation Government is ignoring the provisions of your message which concern the countryside's problems.

The Federation Council, whose deputies represent Russian Federation components, appealS to you as the guarantor of the Russian Federation Constitution, urgently requesting that you promptly intervene in the Russian Federation Government's activity to implement the provisions of your message which concern the economy's agrarian sector, instruct the government to immediately decide the questions associated with the carrying out of spring field work, and implement Decrees No. 356-1 FC of the Federation Council of the Russian Federation Federal Assembly of 9 February 1995 "On Immediate Measures To Prepare and Carry Out Spring Field Work in the Russian Federation in 1995" and of 1 March 1995 "On Progress in Implementing the Decree of the Federation Council of the Russian Federation Federal Assembly of 9 February 1995 'On Immediate Measures To Prepare and Carry Out Spring Field Work in the Russian Federation in 1995.'"

We also request that at the end of May 1995 an All-Russia Economic Conference be held under your patronage on the results of the first stage of agrarian reform in the Russian Federation, with invitations being sent to representatives of the Russian Federation Government, deputies to the Federation Council and State Duma of the Russian Federation Federal Assembly, representatives of Russian Federation components and of federal ministries and departments, leading scientists and specialists, and goods producers of all forms of ownership.

[Signed] The Federation Council of the Russian Federation Federal Assembly
[Dated] 1 March 1995, Moscow

Upper House Official Demands Budget Help for Agriculture

LD2103151595 Moscow INTERFAX in English 1339 GMT 21 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 20 (Interfax)—Chairman of the Federation Council's Agrarian Committee, Vyacheslav Zvolinskiy, has said that the upper house of the Russian parliament must not approve the federal budget for 1995 "unless a credit worth 20 trillion rubles with a repayment delay of 10 years is earmarked for agriculture".

Zvolinskiy spoke Tuesday [21 March] at the Federation Council, which intends to debate later in the day the question on whether to approve the budget passed by the Duma earlier this month.

He said that the budget for 1994 planned for agriculture 18,125 billion rubles, while in reality 9.5 trillion rubles were set aside.

Zvolinskiy believes that to finance agriculture at the last year's level with account to inflation, it is necessary to set aside in 1995 approximately 54 trillion rubles, not 13 trillion rubles provided by the 1995 budget.

Meanwhile, Economics Minister Yevgeniy Yasin described Zvolinskiy's demands as "a sort of a blackmail". "I fear agrarians because each time they offer new arguments," he told journalists in the Federation Council's lobby.

Yasin said that a non-adoption of the budget or a credit would frustrate the stabilization program "and agriculture will be the first to suffer". "I am unable to explain why Agrarian deputies act so persistently to the detriment of agriculture," said Yasin.

Regional Affairs

Yeltsin, Rossel Resume Clash Over Yekaterinburg Elections

MK1803105095 Moscow KOMMERSANT-DAILY in Russian 18 Mar 95 p 3

[Report by Viktor Smirnov, Dmitriy Kamyshev: "Political Process in the Regions. Eduard Rossel Back on War Path"]

[FBIS Translated Text] The president is obliged to wage battles regularly with Sverdlovsk Oblast, his home base. At first, his home oblast folks scared the president with a Urals Republic, and now they have decided to elect themselves a governor at all costs. The persistence with which Eduard Rossel, oblast Duma head and the main aspirant for governor, is implementing this idea may very well spark a fresh conflict between Moscow and Yekaterinburg.

While Yekaterinburg had repeatedly demonstrated its devotion to Boris Yeltsin, the president's relations with his historical homeland became clouded in recent years by the Urals people's desire to enhance their status. The removal of the "father" of a Urals Republic from the position of oblast administration far from resolved the problem: out of the governor seat and into the oblast Duma and Federation Council seats, Rossel went about implementing his idea with even greater zeal. In the course of a meeting in the Kremlin, Yeltsin had Rossel give up the "republican" aspirations in exchange for the permission to hold elections for governor in the oblast.

The truce, however, did not hold long. Late in January, the president told his home oblast people, by proxy of his chief of staff Sergey Filatov, that he had changed his mind and now thought elections for governor unwise—in connection with the situation in Chechnya and preparations for the spring sowing campaign. Rossel disagreed with such arguments, and early in March the oblast Duma passed, on the speaker's initiative, a decree setting elections for governor for 18 June.

In the wake of this, a war between Moscow and Yekaterinburg accompanied by local fights—between the Duma and the administration—became inevitable. The sides started out with a softening-up artillery bombardment of the mass media with statements of their positions. Rossel recalled Yeltsin's consent to the holding of the elections and the repeated official appeals by the oblast Duma to the president on this issue. Heads of the administration explained that the elections are illegal because they are supposed to be called from Moscow.

A transition to more active operations seems to be around the corner. Sverdlovsk Oblast Governor Aleksey Strakhov launched the first attack by signing a directive on relocating the oblast Duma to a new building. This was naturally done in order "to improve conditions for the work of the deputies." But before it improves conditions, the Duma will have to fight the businessmen who are renting those premises. It would therefore not be surprising if so touching a concern by the governor for the people's choices elicits similar gratitude from the Duma and adds a further twist to the standoff spiral.

Report on Parliamentary Elections in Tatarstan

LD1803195495 Moscow ITAR-TASS in English 1832 GMT 18 Mar 95

[By ITAR-TASS correspondent Nikolay Sorokin]

[FBIS Transcribed Text] Kazan March 18 TASS—By 19:00 Moscow time [1600 GMT], 53 out of 55 electoral constituencies reported that voting was good.

According to preliminary information, 20-23 per cent of the electorate voted only in two constituencies—Gorkinskoye and Gabishevskoye—by 18:00.

The voting is proceeding in a calm and business-like manner, Central Electoral Commission Chairman Marat Sirayev said.

The first round of elections took place two weeks ago, on March 5. The turnout was reported heavy in rural areas whereas in cities and town voters were less active. This pattern repeated itself again today, when only 10-15 per cent of people eligible to vote in Kazan and other towns attended polls by noon.

The elections campaign is taking place in conditions of full political stability, Tatar President Mintimer Shaymiyev said.

The power-sharing agreement signed between Tatarstan and Russia a year ago has streamlined all relations with the center and has given the people of Tatarstan confidence in the future, he said.

Shaimiyev said he hoped that intelligent and competent people would be elected to the parliament and local bodies of power.

The elections are being monitored by a group of Russian State Duma deputies.

Cleanup Begins Following West Siberia-Baykal Oil Spill

LD2003122395 Moscow ITAR-TASS in English 1137 GMT 20 Mar 95

[By ITAR-TASS correspondent Vladimir Khodiy]

[FBIS Transcribed Text] Irkutsk March 20—Clean-up operations have been launched to eliminate the aftermath of an oil spill which occurred on the western Siberia-Baykal area oil trunkline near the town of Tulun in Irkutsk region last Friday.

The bulk of 3,500 tonnes of the spilled oil accumulated in natural depressions near the pipeline. So, an attempt was made to pump it back into the pipeline by means of a reserve pipeline branch which has been in working order all these days, carrying fuel for processing to the Angarsk petrochemical joint-stock company.

An operation has also been launched to burn about 800 tonnes of oil which spilled onto the ice of Kurzanka River and spread over to a distance of more than one kilometer, Aleksandr Kamenskiy, chief of the regional headquarters for civil defence and emergency situations, has told ITAR-TASS.

The causes of the breakdown have been ascertained. Due to different grades of steel, three blowholes developed on the pipeline seam, which had been welded 20 years ago. This part of the pipeline has been cut out and will be sent out for an additional inspection, Kamenskiy said.

Reportage, Commentary on Conflict in Chechnya

Minister Seeks to Curb Oil Industry

LD1703143295 Moscow ITAR-TASS in English 1234 GMT 17 Mar 95

[By ITAR-TASS correspondent Igor Ivantsov]

[FBIS Transcribed Text] Moscow March 17 TASS—"It is advisable to limit the rehabilitation of the oil processing sector of Chechnya to an extent necessary to meet domestic requirements of the republic," Yuriy Shafranik, Russian minister of the fuel and power, told ITAR-TASS on Friday.

Shafranik believes that the rehabilitation of Chechnya's petroleum sector, which has been ravaged during combat operations, would require considerable funds. Therefore it is hardly advisable fully to restore the facilities of the republic's oil processing enterprises which are also oriented towards the processing of crude oil from other regions, the Russian minister said.

Parliamentary Body Seeks Answer to Main Question

LD1703184295 Moscow INTERFAX in English 1437 GMT 17 Mar 95

[FBIS Transcribed Text] Moscow, Mar 17 (INTERFAX)—The parliamentary commission investigating the Chechen crisis has held 40 sessions over the past two months and questioned a great number of officials, but is not a single step closer to answering the main question: "Why did President Yeltsin and the federal government collude with the criminal regime for so long?" Sergey Govorukhin, of the Democratic Party of Russia has said. Commission chairman Govorukhin told the State Duma (lower house of parliament) Friday it was likewise unclear why the government suddenly began to dislike the regime in the middle of 1994.

Govorukhin said that acting Prosecutor-General was practically the sole official that tried to hinder the parliamentary inquiry. Govorukhin said that Ilyushenko had showed his utter disrespect for the parliamentary inquiry and suggested an amendment to the Constitution laying down a code of conduct that officials should adhere to in relations with parliamentary inquiries.

Govorukhin said that the Finance Ministry had given no answer yet to questions posed by the commission, which, he said "was insistently probing into how Dudayev's regime was licensed to export oil".

Govorukhin read out a letter by the chief of Chechnya's security department Sultan Geliskhanov addressed to Dzhokhar Dudayev and dated last January. The letter says that the $1.5 million Dudayev extended to the department to "pay journalists' services" had been spent and the department needed another $1 million.

Geliskhanov said in his message that the "Russian authorities have taken measures to improve the work of Russian and foreign journalists in Chechnya, which considerably hinders their use in our interests" (in the interests of the Dudayev regime - IF note).

Govorukhin said that in the peace plan for Chechnya proposed by Prime Minister Viktor Chernomyrdin there was "nothing dramatically new" and he called for drafting and adopting a law on a large-scale amnesty for those members of armed formations in Chechnya who voluntarily lay down their arms.

Yandarbiyev Critical of Chernomyrdin Plan

LD1703194495 Moscow INTERFAX in English 1628 GMT 17 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 17 (Interfax)— Chechen Vice President Zelimkhan Yandarbiyev said he believed that the plan for settlement in Chechnya recently confirmed by Russian Premier Viktor Chernomyrdin "once again proves that Russia fails to completely comprehend the present situation in Chechnya."

Yandarbiyev said that if Russia insists on carrying the plan out to the last it would be unlikely to bring results, head of the Chechen Information Service, Movladi Udugov, told Interfax today.

Yandarbiyev said that if the plan was Russia's preliminary proposal, Chechnya would be willing to discuss it and make recommendations so as to jointly work out an efficient plan for ending the new Caucasian war.

The three-stage plan proposed by Chernomyrdin provides for creating zones of mutual non-use of force, where illegal armed formations would be disarmed at the first stage. The first stage calls for conducting peace talks on creating Chechen power and management bodies. The third stage provides for holding democratic parliamentary and local elections in Chechnya and electing Chechen representatives to the Russian Federation Council.

The Moscow plan also provides for creating a "committee of national accord" to temporarily represent the executive power during the transition period until elections are held.

Duma Deputy Suggests 'Special-Rule' Status

LD1703212195 Moscow INTERFAX in English 1856 GMT 17 Mar 95

[FBIS Transcribed Text] Mozdok, Mar 17 (INTERFAX)—Leader of the Russian All-People's Union, State Duma deputy Sergey Baburin said he believed that the Russian Army in Chechnya should have acted more decisively when suppressing the hot-beds of militant resistance.

He said he failed to understand why the presidential palace was still standing in Groznyy. He said it should have been destroyed during the very first days of military actions.

Baburin, now in the North Caucasus as the deputy group's head, said that former Russian human rights commissioner Sergey Kovalev's decision to reside in the presidential palace during the first days of attacks on Groznyy was no reason for Russian soldiers to die.

Baburin said he doubted the rationality of holding elections in Chechnya. He said a special-rule status must be introduced in the republic and Moscow must appoint a leader to Chechnya by an administrative order. He said such special rule should be maintained until Russian refugees return to Chechnya, so as "to guard against 'ethnic cleansing' earlier carried out in the Caucasian republic."

Baburin said he feared that the Russian population of Chechnya could flee. He said his deputy group had visited many North Caucasian regions where Russian refugees from Chechnya and Ingushetia were living. He said he had not met a single refugee willing to go back.

Yerin Urges Early Formation of Interior Bodies

LD1703215695 Moscow ITAR-TASS in English 2129 GMT 17 Mar 95

[By ITAR-TASS special correspondent Sergey Ostanin]

[FBIS Transcribed Text] Mozdok, North Ossetia March 18 TASS—"There is a need to a speedy formation of interior bodies in Chechnya. The Russian interior troops are ready to hand over them functions to bring order in Groznyy and areas under control of the federal forces," Russian Interior Minister Viktor Yerin told officials of the "power" ministries in Groznyy under the chairmanship of Russian First Vice-Premier Oleg Soskovets on Friday.

According to the minister, the Chechen police comprises over one thousand personnel. They are performing their duties in patrol and post service in the Chechen capital, and manning checkposts together with troops of the interior and the OMON [Special Purpose Militia Detachments]. Viktor Yerin also expressed his concern at the session about an urgent beginning of work by the railways on which vital functions of the Chechen capital depend to a large extent.

Grachev Speaks on Military Role

MM2003115695 Moscow KRASNAYA ZVEZDA in Russian 18 Mar 95 p 2

[Report by Aleksandr Pelts: "Peace Outcome Preferable But Military Methods of Resolving Chechen Crisis Not Yet Exhausted"]

[FBIS Translated Text] As has already been reported, on 16 March Army General Pavel Grachev, the Russian defense minister, visited Mozdok to take part in a conference on Chechnya's problems. In addition, during the working trip he is to study the state of the troops which have in fact already fulfilled the tasks set them in the Chechen Republic.

The defense minister stressed that he intends in conjunction with the Russian internal affairs minister to discuss the question of the troops' further use. The resistance of individual bandit formations, Army General Pavel Grachev said, has not yet been broken and we will perhaps in conjunction with the MVD [Internal Affairs Ministry] have to resolve the tasks of eliminating them in other population centers. Here he noted that the troops will now operate differently from the way they have hitherto. The army units and subunits have been set the task of blocking population centers and the internal troops will engage directly in disarming the illegal bandit formations.

In this connection the problem of organizing collaboration between army subunits and internal troops units is becoming more acute.

The defense minister did not confirm reports in the mass media that his arrival in Chechnya is connected with the start of combat operations in Argun. "I am still counting on a peaceful settlement of the conflict," the defense minister said. "But if that is not successful combat operations will be continued to disarm and eliminate the illegal bandit formations."

Nor does Army General Pavel Grachev share the opinion that a certain part of Chechnya's territory will remain under Dudayev's influence. "The Russian people will not understand us, those who are now fighting for Russia's integrity and might will not understand us. It would be blasphemy against those who died here." Touching on other problems of the troops' presence in Chechnya, the defense minister noted the need to back them up fully. He reported that he is trying by every means to get financing for the troops under a separate heading. But so far, for economic reasons, this is not working out.

The resistance of Dudayev's main forces has now been broken, the Russian Federation defense minister noted. The most substantial and powerful Dudayev formations were defeated in the region of the population center of Novyye Promysli. Dudayev is now making people fight virtually under armed threat. But in Pavel Grachev's opinion that does not rule out the possibility of the start of active fighting in Argun and in the region of the population centers of Shali and Gudermes.

Kabardino-Balkaria Halts Refugee Reception

LD1903141595 Moscow ITAR-TASS in English 1326 GMT 19 Mar 95

[By ITAR-TASS correspondent Gennadiy Kipkeyev]

[FBIS Transcribed Text] Nalchik March 19 TASS—By a decision of the government of the Kabardino-Balkar republic, the reception of refugees from Chechnya has been suspended since Saturday. As of March 18, more than 7,000 refugees were officially registered in the republic but, according to unofficial data the actual number of them has already risen to 30,000.

A bill has already been drawn up to institute administrative responsibility for a breach of the procedure for providing permanent residence in the republic, a spokesman at the press service of the Kabardino-Balkar parliament has told ITAR-TASS.

Called to account under the provisions of the bill will be not only those who unlawfully provide residential permits and register real-estate purchase and sale deals but also those who get registered and make deals in circumvention of norms existing in the republic.

OMON Troops Reopen Section of Railway

LD1903222695 Moscow ITAR-TASS World Service in Russian 1940 GMT 19 Mar 95

[By ITAR-TASS special correspondent Sergey Ostanin]

[FBIS Translated Text] Mozdok (North Ossetia), 19 Mar—The Mozdok-Kizlyar section of the railway in Chechnya has been prepared for reopening by an OMON [Special Purpose Militia Detachment] unit which had taken its communications links under guard. Today the servicemen ensured the passage of 16 freight and four passenger trains through this section.

Also, on 19 March servicemen checked 200 vehicles for weapons and ammunition. It turned out that two individuals who were detained were wanted by the police for serious crimes committed in the village of Chervlenaya.

Ministry: Nuclear Storage Inadequate

LD2003213195 Moscow ITAR-TASS World Service in Russian 1105 GMT 20 Mar 95

[FBIS Translated Excerpt] Moscow, 20 Mar—No radioactive contamination was found at any of the sites inspected or the territory adjacent to them in Chechnya. The press office of the Russian Federation Ministry for Emergencies reported this to ITAR- TASS on 20 March. According to its information, a thorough check of the storage area for radioactive waste at the Groznyy "Radon" special combine and at sites where sources of ionizing radiation are temporarily stored at facilities in Groznyy showed there were virtually no registration documents for sources of ionizing radiation. There was only partial information on the situation in the period leading up to the beginning of military action.

In the experts' opinions, the temporary storage sites inspected were not guarded, did not meet the requirements for radiation safety, and were not properly registered. At the current time, it is not possible to inspect in detail the sites proposed for the storage of sources of ionizing radiation at buildings and establishments in Groznyy since the latter have been either partially or completely destroyed and work to clear up and remove mines from their territory has not been finished. [passage omitted]

Spokesmen for the Ministry for Emergencies reported that it was not possible to inspect supposed sites where sources of ionizing radiation were being stored in the republican hospital, the republican oncological clinic, the republican contagious diseases center, the Chechen state university, and other buildings. On travelling to the sites, it was established that they were completely destroyed and mine clearance work had not yet been done.

Duma Deputy on Familiarization Tour

LD2003152195 Moscow ITAR-TASS in English 1349 GMT 20 Mar 95

[By ITAR-TASS correspondent Valeriy Shanayev]

[FBIS Transcribed Text] Vladikavkaz, North Ossetia, March 20 TASS—"It is impossible to establish peace in the Caucasian region, including Chechnya, from the position of strength. Goodwill of peoples is needed," member of the State Duma (Russian parliament lower house) from North Ossetia Aleksandr Dzasokhov said in an interview with ITAR-TASS in Vladikavkaz on Monday.

He arrived in the North Caucasus to familiarise himself with the social and political situation in the region. The legislator was a member of the coordination council on preparing and holding the conference "Peace Initiative in Caucasus" in Moscow, which was devoted to finding ways of settling the Chechen crisis.

Regrettably, Dzasokhov noted, representatives from the Chechen Republic could not strike a dialogue. Therefore, it is necessary to organize urgently a mediation mission to hold roundtable negotiations.

The lawmaker supported an idea of calling a conference in Vladikavkaz to be attended by the leaders from the entire region as well as the Russian president to discuss political, social, economic and ethnic problems as well as ways of stabilizing the situation in Chechnya.

Russian federal authorities should have a well thought-out ethnic programme in the Caucasus. It is impossible to settle all ethnic problems only in the Chechen Republic. They should be examined comprehensively, on the scale of the entire Caucasian region, Dzasokhov stressed.

Ministry on Weekend Accomplishments

LD2003162595 Moscow ITAR-TASS in English 1526 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow March 20 TASS—Mobile groups of the Russian Ministry for Emergencies have accomplished a great amount of work in Chechnya over the past weekend.

According to the press service of the ministry, groups repaired 45 metres of a gas pipeline, destroyed 275 explosives, defused one artillery shell and trucked away 1,926 tonnes of structural elements and debris from destroyed buildings.

The ministry also continued aid to population. A total of 81 people were carried from Groznyy to Mozdok by helicopters, including two wounded men, 13 patients and five displaced persons.

A mobile mechanised bakery of the ministry produced 2.6 tonnes of bread, out of which 1.8 tonnes were distributed among local population through commandants' offices. Groups distributed 530 cubic metres of water and 89,610 tonnes of humanitarian aid.

The ministry brought seven tonnes of medicines and 107 tonnes of humanitarian aid from Mozdok to Groznyy by trucks as well as 14.5 tonnes of foodstuffs, medicines and 15 tonnes of building materials by helicopters.

Epidemics Committee Report on Groznyy

LD2003163895 Moscow ITAR-TASS in English 1530 GMT 20 Mar 95

[By ITAR-TASS correspondent Anna Bakina]

[FBIS Transcribed Text] Moscow March 20—A citizen of Groznyy receives a liter of water a day, Russian epidemiologists said.

Russia's Committee for Epidemics has urged the Ministry of Construction to provide at least 10 liters of water for every citizen of Groznyy.

Chechnya, and first of all Groznyy with the population of 150 thousand, is faced with the danger of being swept with various epidemics, including plague and cholera. Tuberculosis and brucellosis are widespread among livestock in the region. No vaccination was carried out in the republic in the past three years.

Epidemiologists have reported 262 cases of intestinal diseases, 85 cases of virus hepatitis, 596 cases of pediculosis and 1511 cases of scabies. The figures were only for registered cases. Physicians are carrying out a mass immunization of children and adults. More than 75 thousand people have been vaccinated against various diseases in the republic recently.

The Committee for Epidemics has worked out recommendations how to bury corpses and disinfect sites where corpses were found.

Governmental Release Reports 'Little Change'

LD2003180395 Moscow ITAR-TASS in English 1749 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow March 20 ITAR-TASS—The Russian governmental press service circulated a statement today, quoting its mobile information centre as saying that there was little change on the Chechen scene over the past 24 hours.

The statement says the Russian artillery and airforce delivered strikes at concentrations of Chechen troops and weaponry near Atagi, Argun and Mesker-Yurt. Chechen fighters were averted from entrenching near the village of Shaami-Yurt, the release says.

The federal forces command almost total control of a valley south of the Chechen capital Groznyy and advanced close to Starye Atagi.

These developments, the statement says, leave Chechen units with control of only a seven kilometre area which separates them from mountains.

The governmental statement reports no losses of the federal troops over the past 24 hours.

Dudayev Spokesman: 30 Killed in Air Raid

LD2003204595 Moscow Radiostantsiya Ekho Moskvy in Russian 1900 GMT 20 Mar 95

[FBIS Translated Text] Russian aviation today attacked areas around the settlements of Shali, Staryye, and Novyye Atagi, Dudayev's spokesman Movladiy Udugov said. According to him, about 30 people were killed in the attack. Udugov said that no active military actions had taken place today apart from the shelling of Argun. He said the total number of civilians killed since the beginning of the conflict was approaching 45,000.

Russian Government Makes Address for Peace

LD2003215195 Moscow ITAR-TASS in English 2124 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow March 21 TASS—The Press Service of the Russian Government issued on Monday an address to the people of Chechnya by the Public Council under the chairman of the Russian Government concerning the settlement of the situation in the Chechen Republic.

The address was adopted by the Public Council on March 16.

Following is the full text of the address:

"It is hard to find the right words to express the pain and bitterness caused by the tragedy in Chechnya.

"It is hard to perceive the cruel fact that blood is being shed by people who could not even imagine several years ago the tragedy their trust in eloquent, but hollow declarations, intolerance of their leaders towards each other and cruel struggle for control over the minds and souls of the Chechen people would cause; the people who suffered great losses during the unprecedented collective deportation.

"And here is a new tragedy which has swept the whole nation.

"Its scale and sacrifices made by innocent people demand that those who have will to achieve peace and accord join forces.

"This will require great courage and wisdom, genuine love for their own land and people.

"Decisive steps must be taken not only in big politics.

"Much, if not all, depends on ordinary people, who may not been entrusted with power, but who have much more important qualities—wisdom, authority and faith.

"We address first of all the Chechen people. The events of the recent days, when many of the Chechens prevented bloodshed in their villages and averted clashes between the federal authorities and (Chechen separatist leader Dzhokhar) Dudayev's armed groups on their soil, became a convincing demonstration of your strength and moral authority.

"We address the elders and the clergy, the wives and mothers of those who are holding arms—we need to find a way out of the bloody deadlock together.

"We support the efforts by the president of the Russian Federation and the Government of the Russian Federation aimed at finding a peaceful solution to the problem, the search for which has been conducted at numerous meetings.

"The dialogue has been a diffucult one so far. But one thing is clear—the sincere willingness of the federal authorities to achieve peace, their will and desire to stop the senseless fratricidal war, into which innocent people have been involved by criminal structures and the ambitious Dudayev regime.

"We consider it extremely important to carry out a set of measures to settle the situation in the Chechen Republic, which have been developed by the Public Council under the chairman of the Government of the Russian Federation.

"When blood is shed, when human lives are ruined, any delay, any philosophical or political doctrine, which do not seek to achieve peace are blasphemous.

"We address the people of the Chechen Republic.

"We all need peace.

"We all need to be tolerant towards each other

"We all need to understand that no one, but we have to bring peace to Chechen soil.

"Let's listen to the voice of reason. Let's make a step towards each other.

"We must understand that there is no alternative to peace."

Report of Operation Denied

MM2103125295 Moscow ROSSIYSKAYA GAZETA in Russian 21 Mar 95 p 1

[Report by Vladimir Yanchenkov under "Chechnya Events, Facts, Commentaries" rubric: "From Dudayev's Headquarters—On Moscow Air"]

[FBIS Translated Text] Radio Rossii, citing the main headquarters of Dudayev's armed formations, has broadcast information that on Sunday 19 March federal forces allegedly carried out active combat operations against Chechen gunmen in the region of the populated areas of Argun, Gudermes, and Shali.

The ROSSIYSKAYA GAZETA editorial office telephoned Vladimir Semenchenko, leader of the Russian Government Press Center in the city of Mozdok.

"This report," he said, "bears absolutely no relation to reality. On Sunday there was no increased activity by Russian federal forces in the said region, the usual exchanges of fire took place here and there.

"At the same time I make no secret of the fact that the federal forces located in combat operations zones are currently thoroughly preparing themselves for upcoming active operations. As to when and where this will happen, your newspaper's readers will soon find out."

Everything would seem to be clear. But the question inevitably arises: Why, for what reasons, are certain mass media continuing to excite public opinion and voluntarily and involuntarily inflame what is already a complex situation in Chechnya with their unobjective, unverified reports? Thus, on NTV's 19 March "Itogi" evening program the television viewer was again fed information which not only does not reflect today's true state of affairs in the conflict zone but is also directly aimed at discrediting Russia's federal Armed Forces. Evidently it is not for nothing that Dudayev's supporters do not shrink from calling NTV their own information channel.

Nothing could be simpler, it would seem, than verifying information once it has been received, since nobody in either the government press center or the relevant MVD [Ministry of Internal Affairs) services impedes this. But evidently the objective coverage of Russia's most painful problems is not in the interests of certain mass media leaders and the forces behind them.

Sinitsyn Denies Dudayev Airlift Rumors

MM2103131695 Moscow KRASNAYA ZVEZDA in Russian 21 Mar 95 p 3

[Report by Aleksandr Ivanov: "Dudayev Has No 'Air Bridges'"]

[FBIS Translated Text] Reports have often appeared in the press claiming that Dudayev's regime is being maintained by deliveries on an "air bridge" between Groznyy and the countries of the near and far abroad—a bridge concealed from our radar facilities. We asked Colonel General Viktor Sinitsyn, chief of general staff of the Air Defense Forces, to describe the situation in the air space above Chechnya.

The involvement of the Air Defense Forces' forces and assets was caused by the presence in Chechnya of combat training, military transport, and civilian aircraft, Viktor Pavlovich explained in our talk. According to available information Dudayev's supporters have prepared aircraft to use outside the republic. The threats to bomb Moscow demanded that we take a number of additional steps and put the Moscow Air Defense District troops and the group deployed in the North Caucasus on heightened alert.

Nor did we rule out the possibility of flights over Chechnya's territory by the aircraft of adjacent states which could deliver manpower, weapons, and ammunition there. Especially as instances of the illegal crossing of Russia's air border from neighboring states had occurred previously. About three months before the well known events several aircraft made an unauthorized landing in Groznyy. As they approached our border the crews cut off communications and "dived down" on a Chechnya airfield. We have protested such actions several times.

Later the Air Defense forces had to take tough steps to halt unauthorized flights. Fighter aircraft were on alert duty in the sky and intercepted helicopters flying from Groznyy, forcing them to land. Since then there have been no violations.

When the Air Defense Forces were set the task of stepping up monitoring of the air space in the North Caucasus region we created in the high command, Rostov, and Mozdok task forces to keep track of the situation and coordinate actions. Their precise actions made it possible to organize work promptly to introduce order in the use of the region's air space by aircraft of all departments, the choice of flight paths, and the allocation of airfields for the evacuation of the wounded and refugees.

We also sent additional forces and facilities there. A-50 airborne early warning aircraft covered virtually the entire region. To intensify the low-level radar field on the most likely salients on the border with Chechnya individual radar platoons were deployed. Several radar companies were also additionally brought in for alert duty (with radar stations turned on 24 hours a day). There is also a permanent alert duty at the visual observation posts.

As a result we have succeeded in creating a dense radar field making it possible to detect any airborne object even at low altitude. And so when I hear claims that some "air bridges" existed or even exist now between Chechnya and abroad I treat that information skeptically.

Moreover, in the alert duty zones crews of fighter-interceptors and A-50 aircraft were constantly in the air. In January alone the crews spent over 1,500 hours in the air. Alert duty in the air is an essential measure, especially at the first stage. Dudayev's men still had aircraft and prepared airfields at the time. Later intelligence had reported that individual sectors of highway were being prepared for aircraft to take off and land.

In this conflict it was hard for the radiotechnical troops subunits. Individual radar platoons were numerically small, which made it harder to guard and defend their positions. In the radiotechnical troops subunits there are no regular tents with heating, mobile bathing and laundry facilities, or a sufficient quantity of changes of warm underclothing. Nor has the staff here provided for cooks. All this makes the personnel's life under field conditions more difficult.

Or something else to think about: The intensive use of our airfields has led to the emergence of defects in their coverings whose elimination will require considerable material expenditure.

As a whole I note that the air defense system created in the North Caucasus region is ensuring the fulfillment of the set tasks.

Public Council Address to Chechen People

LD2103092895 Moscow ITAR-TASS in English 0901 GMT 21 Mar 95

[FBIS Transcribed Text] Moscow March 21 TASS—The Public Council under the chairman of the Russian Government has addressed a message to the Chechen people on the normalisation of the situation in the Chechen Republic. The document, released late on Monday [20 March] evening, says in part: "We address the Chechen elders and clergy, the wives and mothers of those who are waging an armed struggle: we must jointly seek a way out of the bloody impasse. We back the efforts of the president and Government of the Russian Federation to find a peaceful solution to the problem. This dialogue is so far proceeding with difficulty. But it is obvious for us that the federal authorities sincerely want peace, that they have the will and desire to stop the senseless fratricidal war, into which absolutely innocent people were drawn through the fault of criminal structures and the ambitious Dudayev regime."

The Public Council believes that all the more or less influential political forces of Chechnya, all the prominent public leaders, field commanders, and also representatives of the Chechen diaspora should take part in the organisation of talks at different levels. It recommends such measures as the stopping of the hostilities, the banning of discrimination against people of Chechen nationality and no discussion of the Chechen events from positions of 'winners' and 'losers', the release of hostages and prisoners, the declaration of an amnesty envisaging guarantees of civil rights and liberties to the commanders and militants who give up the resistance, the buying out of weapons and ammunition from the population, the preparation and holding of free elections to self-government bodies and organs of the Chechen Republic's state power.

The Public Council also recommends to ensure the effective work of representatives from the International Red Cross in the conflict region in keeping with its international mandate, the opening of a "TV hour" on the central television to promote a broad public discussion of the Chechen problem, the payment of compensations for the material damage inflicted upon the peaceful residents of the Chechen Republic, who have suffered during the hostilities, and also the creation of the necessary conditions for the return of forced migrants to the places of their permanent residence, the signing of a treaty on the delimitation of powers between the state governing organs of Russia and the organs of state power of the Chechen Republic after the adoption of the latter's constitution.

Russian Advance Said Halted Near Shali

AU2103101395 Paris AFP in English 0953 GMT 21 Mar 95

[FBIS Transcribed Text] Shali, Russia, March 21 (AFP)—Russian forces failed to maintain their push into the southeast of the breakaway republic despite intense fighting overnight, Chechen military leaders said Tuesday [21 March].

Russian soldiers, facing off Chechen fighters along the Argun River between Shali and Argun, tried to push further south along the front line which passes six kilometres (four miles) from Shali, said the Chechen deputy military commander of the Shali district, Sahid-Hassan Tatayev.

He said the push had been stopped by Chechen forces whose only tank regiment was a few kilometres south of Shali, which the rebel forces now consider their capital. Shali is some 20 kilometres (12 miles) southeast of Groznyy.

Intense artillery, rocket and machine-gun fire could be heard most of Monday night coming from the combat zone which was regularly lit up by flares.

Russian attacks killed at least six people and wounded several dozen in the upsurge in fighting Sunday, medical sources reported, adding that many of the hospitalized were children.

The zone of Argun, 15 kilometres (ten miles) east of Groznyy, where Chechen forces are still resisting the Russians, was also intensively shelled.

Tatayev said Russian forces had not made any further progress toward Argun either. "We're hitting back," he added.

There were no immediate reports of casualties Monday from the fighting but an injured Chechen fighter was taken overnight to hospital in Shali, doctors there said.

Two people died of their injuries after Russian planes attacked the village of Mekhketi, 15 kilometres (ten miles) south of Shali, and neighbouring roads late Monday, medical sources added. Eight people were injured.

Villagers said a number of bombs were dropped there while refugees fleeing the region in cars were also attacked.

Thousands of people have died since December when Russia sent troops into Chechnya to crush a separatist rebellion, while thousands more have fled their homes to escape the fierce fighting.

Meanwhile Chechens who opened an information centre in Krakow, south Poland, said Tuesday they intend setting up a radio station broadcasting to the former Soviet republic in Chechen and Russian.

Measures In Hand To Prevent Epidemics

LD2103105195 Moscow ITAR-TASS in English 1016 GMT 21 Mar 95

[By ITAR-TASS correspondent Marina Borisova]

[FBIS Transcribed Text] Moscow March 21 TASS—An increasingly greater number of patients seek medical care at Groznyy- and Mozdok-based divisions of Russia's "Zashchita" hospital.

The press office of the Russian Health Ministry reports that 501 patients, including six with wounds, were admitted to this hospital and other medical centres over the past three days.

The ministry's medical teams are carrying on preventive programmes to head off epidemic infections in Chechnya and neighbouring territories.

Some ten tonnes of immunobiological agents, including vaccines, sera and immunoglobulins, has been shipped for storage to Prokhladnyy, Kabardino-Balkaria.

Diphtheria, viral hepatitis A and intestinal infections have sporadic incidence in Chechnya so far.

Air Force Strikes Near Groznyy

LD2103122295 Moscow ITAR-TASS in English 1208 GMT 21 Mar 95

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Transcribed Text] Groznyy March 21 TASS—The federal Air Force and artillery have again dealt powerful blows during the past 24 hours at Argun, Gudermes, Shali, and several other populated localities to the east and south-east of Groznyy, ITAR-TASS has learned from local sources today. The federal Air Force, including heavy bombers, raided these areas practically throughout the night, these sources report. The bombing raids and shelling continued today, too.

ITAR-TASS was unable to learn here about any ground actions.

Economic Issues

Yeltsin Edict on Principles of Foreign Economic Activity

MM1003105895 Moscow ROSSIYSKIYE VESTI in Russian 10 Mar 95 p 3

[Edict No. 245 of the Russian Federation president, signed by Russian Federation President B. Yeltsin and dated Moscow, The Kremlin, 6 March 1995: "On the Fundamental Principles of Engaging in Foreign Trade Activity in the Russian Federation"]

[FBIS Translated Text] With a view to accelerating the further integration of the Russian Federation's economy in the world economy and enhancing the efficiency of its foreign economic activity, I decree:

1. It is prescribed that in the Russian Federation:

any quantitative restrictions on the export and import of goods and services can be introduced by the Russian Federation Government exclusively for the purpose of honoring the Russian Federation's international commitments;

any other nontariff restrictions on the export and import of individual categories of goods and services can be introduced for the purpose of ensuring law and order, maintaining the country's defense capability and international security, and safeguarding the population's life and health, the environment, and the historical, archeological, and cultural heritage of the Russian Federation;

restrictions on the export of goods and services by means of instituting a mandatory volume of deliveries for the domestic market are not permitted;

export deliveries for federal state needs can be effected only in performance of the Russian Federation's international economic commitments, including foreign currency and credit commitments.

2. It is prescribed that, as of 25 March 1995, strategically important raw materials will be exported without relevant registration of exporter enterprises and organizations with the Ministry of Foreign Economic Relations.

The Russian Federation president's edict No. 628 of 14 June 1992 "On the Procedure for Exportation of Strategically Important Raw Materials" will be deemed lapsed as of 25 March 1995.

3. The Russian Federation Government must:

ensure strict compliance with the requirements of antimonopoly legislation in the creation of associations of Russian exporters and in the exercise of their activity;

adopt by 1 July 1995, in coordination with the Central Bank of the Russian Federation, a decision on introducing a unified state system for foreign trade and foreign currency accounting;

bring the Russian Federation Government's decisions in line with this edict.

4. This edict comes into force on the day of publication.

[signed] Russian Federation President B. Yeltsin

[dated] Moscow, The Kremlin, 6 March 1995

No. 245

Chernomyrdin Orders New Tax Strategy by 1 July

LD1603112395 Moscow ITAR-TASS World Service in Russian 0945 GMT 16 Mar 95

[By ITAR-TASS correspondents Andrey Serov and Gennadiy Yezhov]

[FBIS Translated Text] Moscow, 16 Mar (ITAR-TASS)—Viktor Chernomyrdin, head of the Russian Federation Government, today instructed the relevant ministries and departments to draw up, by 1 July, a medium-term strategy for the cabinet's tax and budget policy. They are then to draft and submit a new tax code for consideration by the Federal Assembly. Speaking at a government sitting today, Viktor Chernomyrdin drew ministers' attention to the fact that nothing has yet been done to increase the amount of tax collected.

Viktor Chernomyrdin pointed to the need to work more actively on this matter in connection with the government meeting today adopting the statement of the Russian Government and Central Bank to the International Monetary Fund on economic policy—which speaks of "special efforts to increase the amount of tax collected."

The Russian prime minister stressed that extending the financing of the deficit by market-determined loans on the internal market, rather than by putting more money into circulation, was also extremely important. "How much has already been said about the state needing to be able to attract funds from the population as well as the various 'MMM's' do," the prime minister stressed. "We have not made any progress with this yet despite the fact that there is plenty of room for improvement."

The head of the Russian Government told the Finance Ministry and the Central Bank that they need to cooperate better with the Savings Bank which has a unique network "reaching virtually everyone." The new commercial banks can only dream of such opportunities whereas we, the state, do not take advantage of them, Viktor Chernomyrdin noted. The Russian prime minister confirmed that Russia's economic situation, its prospects, and proposed measures for the implementation of the president's message to the Federal Assembly will be considered at an expanded meeting of the government on 24 March. The draft program of the Russian Federation Government for 1995-97 will also be considered.

More on Chernomyrdin Remarks on Economy

MM1703103195 Moscow ROSSIYSKAYA GAZETA in Russian 17 Mar 95 Weekend Edition p 4

[Unattributed abbreviated account of speech by Russian Premier Chernomyrdin at 16 March government session: "This Will Be a Breakthrough Year"]

[FBIS Translated Text] The Russian Federation Cabinet of Ministers adopted at its session yesterday a statement by the government and the Central Bank on economic policy in 1995. This will be sent to the IMF in order to obtain an IMF reserve credit of $6.25 billion this year. Opening the session, Russian Prime Minister Viktor Chernomyrdin said, in particular:

Before embarking on the discussion of the items on the agenda, I would like to talk about an important event that took place a few days ago. The conclusion of our talks with IMF Managing Director Mr. Michel Camdessus last week was a major landmark not only in terms of obtaining the $6.25-billion IMF reserve credit.

We comprehensively discussed the Russian Federation Government and Bank of Russia economic program for 1995 and reached agreement on practically all fundamental issues, winning a kind of vote of confidence from the world community for our economic policy. And I consider this the most important result of the talks.

In assuming the agreed obligations for 1995, we are taking a major step which not only guarantees the irreversibility of economic reform, but also makes it possible to ensure stable growth for the Russian economy.

The government and Central Bank of Russia joint statement envisages to a considerable extent noninflationary funding of the federal budget, as already ratified by the State Duma, a correspondingly tough monetary and credit policy, a number of major measures to bolster state revenue, and a further significant liberalization in foreign trade. All this will make it possible to achieve real financial stabilization this year, 1995.

In this connection I would like to draw the government members' particular attention to the fact that yesterday the State Duma adopted the law "On the Russian Federation State Budget for 1995."

I can say without any exaggeration that this has been a very great and good support in all our work. For essentially the first time in all the years of reform we have a ratified budget in the first quarter. That alone gives us a different level of possibilities. But it also brings with it greater responsibility. And, to put it simply, we do not have the right to mess up our third attempt at stabilizing our finances and radically reducing inflation. Everything now depends solely on the government, its persistence and consistency of action, and its very close collaboration with the Central Bank of Russia.

One truth is abiding and unconditional for all of us today—we will do what was laid down in the joint statement; this means that the main conditions for a favorable investment climate will take shape. This means that we will be able to make tangible progress in restructuring the economy and in creating the necessary market institutions. And there will be no turning back or amendments to this approach.

I must say that the program for our economic policy in 1995, on which we and the IMF experts have worked so hard, has won the full support of Russian President B.N. Yeltsin.

Russia's relations with the IMF are now attracting the attention of the entire world community. And I think that what we have achieved through joint efforts over the past few weeks and days will send a confident signal to the market and to all those who would now like to bring their capital to Russia.

A similar clear signal was the memorandum of the Consultative Council for Foreign Investment to the Russian Federation Government, which was signed in London by the leaders of major world companies already actively working in our country.

Also of considerable importance in this respect are the declaration and action program adopted as a result of the social development summit in Copenhagen.

I would like to note in this connection that all these documents are not merely statements of intent. They are our international commitment which we have to carry out. It is impermissible to treat what is written in them as if it were just a few pretty sentences.

The fact that we have signed a number of very important documents is for the time being a success solely in the political sense. And, of course, that is exceptionally important. Since what lies behind these agreements, memorandums, and declarations is a new level of confidence in us as a respected and worthy partner.

Nonetheless, for us as the government what is even more important is what comes next—what will really change for the better in the economy and the position of the millions of our fellow citizens, and when it will happen.

Consequently, implementing the commitments we have undertaken is for us a matter of honor. All the more so as we have formulated our own policy which we have drawn up for ourselves, and not for any outsiders. This is something that we ourselves have literally suffered for during the years of reform.

Now there really is an opportunity to make a breakthrough in the economic crisis and begin to revive the Russian economy.

A corresponding amount of work will be needed to ensure that this becomes reality. A great deal has already been done. The presidential edicts abolishing concessions in foreign economic activity and eliminating the institution of special exporters are already in force, and a number of government documents developing the policy of stabilizing our finances have been adopted. The government and the Bank of Russia have put a stop to the practice of the issuing of new centralized credits.

I would very much like to draw the attention of ministers and department leaders to what has not yet been achieved and what should be achieved within a very short period of time. This is above all what the government and Bank of Russia statement calls the "special effort to improve the collection of taxes." No later than 1 July we are obliged to draw up a medium-term strategy for taxation and budgetary policy, and then formulate and submit a new Tax Code for examination by the Federal Assembly. This work needs to be begun right now. I have given instructions for the corresponding directive on this subject to be drawn up.

The task of expanding the noninflationary funding of the deficit through loans raised on the domestic financial market at market rates is very important. How much has already been said about the fact that the state should be able to raise funds from the population no worse than the various "MMM's." So far things have not gotten started, although there is more than enough scope for creativity in this area.

The Finance Ministry and the Central Bank should cooperate better with the Bank for Labor Savings and Credit to the Population, which has a unique network reaching practically every individual. The new commercial banks can only dream of such opportunities, yet we, the state, are not availing ourselves of them.

I would ask you to study closely the documents containing the declaration of our commitments to the entire world, and to look at what needs to be done today, right now. After all, both our own people and the world community will judge the effectiveness of the government from how we carry out our own promises.

At an enlarged government session 24 March we will examine the state of the Russian economy and its prospects, and propose measures for implementing the president's message to the Federal Assembly.

We will also examine the draft Russian Federation Government program for 1995-1997. This work is all of a piece with what I have been saying previously.

I would stress yet again that 1995 should be a breakthrough year—both in the economy and in the style of our work. Negligence, sluggishness, and inefficiency will not be tolerated any longer.

It is proposed that we adopt the decree "On the Ratification of the Russian Federation Government and Central Bank of the Russian Federation Statement on Economic Policy in 1995 and the Measures to Implement It."

Chernomyrdin Discusses Spring Sowing Campaign

LD1703213195 Moscow INTERFAX in English 1856 GMT 17 Mar 95

[FBIS Transcribed Text] Moscow, Mar 17 (INTERFAX)—The success of the spring sowing campaign "entirely depends on the flexibility of ministries and bodies," Russian Prime Minister Viktor Chernomyrdin told a meeting on the preparation for the campaign in Moscow Friday [17 March].

Chernomyrdin emphasized that "the latest government resolutions defined the whole complex of much-needed measures." The Russian government made a resolution on economic conditions for agriculture's functioning in 1995 on March 10 and another one on measures to enforce the law on purchases and deliveries of agricultural produce, raw materials and food for state needs.

The Central Bank of Russia, Economics and Finance Ministries are jointly developing a mechanism to implement the measures. Chernomyrdin warned their leaders of their personal responsibility for timely providing agriculture with material and technical resources to prepare and carry out the sowing campaign and money to pay agricultural producers in advance.

Chernomyrdin is convinced that time is more precious than money in the preparation for the sowing campaign "when the success of the business is determined by virtually each of the spring days." If a mechanism for the implementation of government decisions is not soon activated and the Federation Council delays the approval of the draft federal budget for 1995, already approved by the State Duma, "the sowing campaign may be endangered," he added.

Yasin Says Economic Crisis Period 'Drawing to an End'

LD2003113595 Moscow ITAR-TASS in English 1124 GMT 20 Mar 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow March 20 TASS—"The economic crisis period in Russia is drawing to an end. This signifies a transition to a new stage of reform—stabilisation," Russian Economics Minister Yevgeniy Yasin stated here on Monday. He spoke at parliamentary hearings in the Federation Council on the subject "On Draft Basic Provisions of a Concept for the Economic Development of the Russian Federation in 1995-1997".

The minister acquainted those present with the government's three-year programme, evaluating the traversed stage of radical economic reforms and formulating socio-economic policy tasks in the long term.

Yasin said the programme had been discussed at a cabinet meeting last Saturday and was upheld in principle although a good deal of amendments had been made. The critical remarks taken into account, the programme is to be considered at enlarged meeting of the government on March 24.

The minister described it as the main task of the programme "to secure economic stabilisation and economic growth within three years", although one can expect economic growth to begin at the end of this period. He quoted the president as pointing out in his message to the Federal Assembly that "this year it is essential to build a bridge between the inflationary past and an investment future".

In an ITAR-TASS interview, Yasin drew attention to the fact that "this is a programme for society which wants to get out of the crisis." The programme is meant to be implemented in a steady political atmosphere in the country. The minister voiced hope that the Federation Council, at its session opening on Tuesday, will pass a law on a 1995 federal budget, referred to it by the State Duma.

Yasin also remarked that the government has made all general calculations concerning a long-term economic development programme and has even reckoned up "budget estimates for three years ahead".

Economy Minister Presents 'Guidelines' for 1995-97

LD2003131795 Moscow INTERFAX in English 1116 GMT 20 Mar 95

[FBIS Transcribed Text] Moscow, Mar 20 (Interfax)—The first stage of Russian economic reforms has ended with macroeconomic stabilization and the main task of the government today is to supplement this with financial stabilization and to guarantee economic recovery in three years. This was announced at Monday Federation Council hearings by Economy Minister Yevgeniy Yasin. He presented the guidelines of the country's economic development for 1995-1997. The emphasis of the program is on effective investments, without which the revival of the economy is impossible.

According to Yasin, the stability period that followed the restriction of inflation during the first nine months of 1994 is characterized by a positive interest rate and the growth of savings and might last quite long in the form of depression. So far government investments in old uncompetitive industries have been ineffective and generated inflation.

"We are witnessing a change of the investment climate when the stimulation of private investments is becoming the key task of the government", the minister said. He hoped that in 1997 private investments would guarantee economic growth.

Yasin named as the main prerequisite for the appearance of the new economic climate the suppression of inflation. According to him, the monthly rate of inflation should drop to 1 percent by the end of the year and the annual figure should not exceed 20 percent. This should help transform savings in the non- government sector into investments. The minister believes that the private sector now has $25-30 billion dollars while individual savings amount to 20-25 percent of incomes. Yasin accounted the fact that half of the savings are spent on purchases of foreign currency to high inflation expectations. The 11 percent rate of inflation in February was largely caused by this. In the first half of March, the minister said, inflation was 4.4 percent and is expected to run to 6-8 percent by the end of the month.

On privatization for money the minister said that the expected returns should be moderate. The government should concentrate on investments in unprofitable spheres: social programs, infrastructure as well as such promising fields as the aerospace industry. Yasin said 70 percent of budget spending will be channelled to these spheres.

He was alarmed by the continuing stratification of society. In 1994 Russia surpassed in this respect the USA where 10 percent of the population get 14 percent of incomes.

The minister said economic recovery will be accompanied by an enormous increase in unemployment, which will be especially visible in individual regions. In this context, Yasin believes legislation must be drawn on depressed regions so that the government has a legal framework in which to offer financial support for such regions.

Stabilization Seen as Main Objective of Economic Policy

LD2003134995 Moscow ITAR-TASS in English 1244 GMT 20 Mar 95

[By ITAR-TASS correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow March 20 TASS—The main objective of Russia's macroeconomic policy is financial stabilisation, the slowdown of the inflation rate to 1.2 percent a month in the second half of this year and keeping the inflation rate at an annual level of 15 to 20 percent in subsequent years, according to participants in the parliamentary hearings organised by the Federation Council.

The same figures appear in the government programme for 1995-1997, which was presented by Economics Minister Yevgeniy Yasin. "The period of the critical development of the Russian economy is widening up, and this implies a transition to a new stage—stabilisation," Yasin said.

The minister explained that during the crisis "reforms did not yield a prompt effect, the situation painfully worsened, and, as a result, discontent in society accumulated".

A stabilisation phase is now beginning, but, according to Yasin, the period of "reposing on the bottom line" is likely to be fairly long, depending in particular, on how well the country would fulfil the chartered programme. The period of growth will come after that, the minister said.

The government programme for the next three years was considered by the cabinet of ministers last Saturday. The programme appraises the past reform stage and sets forth objectives and guidelines for the social and economic policy in the short term.

Yasin said that the programme was approved in principle although many critical remarks had been made, particularly, as concerns the development of the agro-industrial complex, science and some other sectors. The government is due to hold an extended meeting on March 24 to discuss the finalised programme.

"The main objective of this document is to ensure economic stabilisation and resume its growth within the next three years," although the beginning of the growth can be expected only at the end of the period, the minister said. He added that 1994 is expected to mark a turning point.

Investments will be the key word for the three-year plan, the minister said. Investments are particularly needed to "replace and renew production capacities and to replenish circulating assets", he said.

The country has lived in conditions of an investment hunger for several years. It has been "eating up" its national wealth, Yasin said. In order to stimulate the investment process it is most important to bring down the inflation rate and investment risks, as well as to provide direct incentives on the part of the state.

Yasin noted with satisfaction that accumulation of capital has begun in the past two years. Russian enterprises and banks now hold up to 30 billion dollars on their accounts, and families are able to save up to 25 percent of their incomes. This is four times the rate of savings in the soviet era. But about one half of all savings go to purchase foreign currency, which is tantamount to capital leaks.

Against this background it is most important to secure transformation of savings into investments. Economists are taking a number of measures to achieve this. "It is necessary to accelerate this process considerably, to give it an impetus," the minister said.

Economists believe that it is impossible to increase taxes any further because the tax burden is too great as it is for Russian enterprises and slows down the domestic production growth. The problem can only be resolved by fighting inflation consistently and insistently, the minister said.

The reduction of the inflation rate to 15-20 percent a year would open up a road leading to the normalisation of finances at enterprises and to the enlivening of production, as well as to the creation of more stable living conditions for individuals, the minister said.

Chubays Interviewed on 1995 Budget

MM2003143895 Moscow ROSSIYSKIYE VESTI in Russian 18 Mar 95 p 3

[Interview with First Vice Premier Anatoliy Chubays by Lyudmila Biryukova; date and place of interview not stated: "Investment Climate This Year Is Quite Arid but Not Hopeless"—first paragraph is introduction]

[FBIS Translated Text] Many lances were broken on the eve of the adoption of the 1995 budget over sharing the money pie between various sectors of the economy. And now the struggle is in the past. The will determine the final figure of budget appropriations—15.9 trillion rubles [R]. For everything. Although the requests from various ministries totaled approximately R73 trillion. Moreover, on leaving the government hall of sessions after the approval of the draft federal investment program, First Vice Premier Anatoliy Chubays in a brief interview with ROSSIYSKIYE VESTI cited a different figure—R12.6 trillion.

[Biryukova] Anatoliy Borisovich, where have the R3 trillion gone?

[Chubays] They will go to extinguish the state's credit debts for last year. You can't get away from it: Debts have to be paid.

[Biryukova] What are the priority avenues of the budget investments?

[Chubays] The first and main avenue is the development of the social sphere. Next the unprofitable production facilities which are nevertheless extremely necessary. The state also intends to invest funds in those production establishments which are connected with the transport communications infrastructure. And, finally, this year for the first time the principle of joint financing for projects where a return and the receipt of a substantial profit is possible has been declared. The state will assume a certain share of the expenses and private investors will take on the other part. The revenue will be divided in accordance with the funds invested.

[Biryukova] To judge by the very modest volumes of budget investments the state intends to transfer this burden to other shoulders?

[Chubays] Yes, that is the government's strategic line. With every passing year the proportion of nonstate sources in the overall Russian investment program will increase. And the share of state sources will decrease. Whereas in 1993 capital investments by private enterprises and enterprises with a mixed form of ownership were 34 percent of the total volume of investments in the Russian economy, in 1995 that share will grow to 53 percent.

[Biryukova] How do you assess the prospects of acquiring foreign investments?

[Chubays] With optimism. The government has adopted the decree "on activating work to attract foreign investments to the Russian Federation economy." In this connection an increase in the volume of foreign investments from R3 trillion in 1994 to R8 trillion this year is envisaged.

[Biryukova] Does the government have a plan to turn the population's savings into investments?

[Chubays] Yes, it does. This was discussed at a recent government session. Prime Minister Chernomyrdin instructed the Ministry of Finances and the Central Bank to set up collaboration with the Savings Bank, which has a unique network reaching almost everyone. The securities market will also help to turn people's savings into investments. Housing construction is being advanced to the fore in resolving that task. An increase in its volumes today depends directly on the attraction of various forms of nonbudget financing. And the population's money plays first fiddle here.

Duma's Zadornov on Budget, Investments

MM2103101695 Moscow ROSSIYSKAYA GAZETA in Russian 18 Mar 95 First Edition

[Interview with Mikhail Zadornov, chairman of the State Duma Committee on the Budget, Taxes, Banks, and Finances, by Aleksandr Kapkov of the State Duma Press Service; date, place not given: "Mikhail Zadornov: A Budget for a Strong Power"—from pages 1, 7 of the "Business in Russia" section; first paragraph is introduction]

[FBIS Translated Text] In spite of the skeptics' opinions, the draft law on the budget passed both its third and its fourth—final—readings. Mikhail Zadornov, chairman of the State Duma Committee on the Budget, Taxes, Banks, and Finances, talks about the final points prior to its adoption.

[Kapkov] Mikhail Mikhaylovich, many people have spoken about the problem of ensuring that the budget is fully funded. And some economists are still not happy about this problem. Please explain. How will budget accounts be monitored? How will monitoring of the budget be coordinated by the state treasury and your committee?...

[Zadornov] It is true that the problem of fully funding the budget is a key problem. In the past three years the proportion of tax collected has been constantly falling in our country, although the actual level of taxes has not been lowered very much. Admittedly this year we did lower it a little through the special tax, through the reduction of tax on profits as regards the share allocated to the regions, and through a whole series of other measures, in particular the abolition of the tax on the exchange- rate gap. But the influx of taxes into both local and federal budgets is declining at a faster rate. Whereas only two years ago we used to collect 16 percent of GDP, at the end of last year the figure was less than 14 percent. This year all the indications are that it will be only 13 percent of GDP.

But what is 1 percent of GDP? If the country's GDP this year will be more than 1,000 trillion rubles [R], then 1 percent means R10-13 trillion in uncollected revenue. That is the sum that is destined for, say, the coal and agrarian sectors put together in the 1995 budget. Or else, for instance, it is the entire defense order. More, even. And we have lost 3 percent. That is, three times the defense order.

Why is this happening? The reasons are well known: the imperfect nature of the tax system itself, and mass avoidance of the payment of taxes, not only by private business, but also by major enterprises which receive tax deferrals and keep their money in hard currency accounts abroad. These are, of course, enormous concessions which were granted to individual enterprises and regions in 1993-1994. So this is a problem that must be tackled, and we are glad that the Duma's stance on abolishing tax concessions for individual enterprises and regions (we have adopted a corresponding law) was supported by a corresponding presidential edict, and that now the president has signed the law adopted by the Duma. We hope that this stance by the government will be firm. We are also insisting on increasing revenue from export dues on gas and oil, that is to say, major efforts are needed to obtain additional revenue.

[Kapkov] What are the guarantees that the budget will be used precisely as designated? Could it not turn out as in B. Fedorov's days as finance minister, when the coal miners were underfinanced by all of a trillion rubles?

[Zadornov] The problem of cash implementation (that is, the actual management of budget accounts) has yet to be resolved. Formerly, cash implementation was the responsibility of the Central Bank and its territorial administrations. Now it is up to both the Central Bank and the treasury. But the treasury has not yet taken on all the budget accounts. This process should be completed by the end of this year, or maybe by the beginning of 1996. By the end of this year, I think, the Comptroller's Office will begin operating at full strength. This is a body that was set up in accordance with the Constitution. The president signed the Law "On the Comptroller's Office" in January. The essence of this body's work is as follows: It checks on the correct use of all budget resources. And this body is independent, like the Constitutional Court. That is, it is set up by the Federal Assembly but is accountable only to the Duma. The Comptroller's Office will exercise monitoring of the actual implementation of the budget.

Concerning the precise use of the budget as designated: That depends on how fully the revenue is collected. If approximately the sum stated in the law is collected, that will guarantee the implementation of the budget in the planned proportions. If less, then the government will carry out a sequestration, that is, a reduction in individual items of expenditure. Under the law, that must be done uniformly. Unfortunately, last year that principle was violated. Some items were 100-percent financed or even received more, while some were only 60-70 percent financed, or even less—investments, for instance. This is contrary to the law, and when in the fall we examined the report on the implementation of the budget over a nine-month period, it was the main complaint against the government here in the State Duma. We hope that the government learned its lessons from the 1994 situation.

[Kapkov] The government is planning to cover the budget deficit by issuing short-term state bonds and treasury bonds and by carrying out privatization for money. Will all this not wreck the stock market? And will it not be competition, of a kind, for enterprises' shares?

[Zadornov] That question is very well put. When the draft budget was originally published, it was proposed to collect more than R40 trillion by issuing state securities on the domestic market, and the draft law included an article on compulsorily placing in these securities enterprises' resources which are in insurance funds and reserves. The fear arose that it was planned to force enterprises to place their free funds in state securities and that the state would build a pyramid which would suck all the money out of the stock market. It is also necessary to take account of the government's bold plans to obtain income from privatization. The budget stipulates some R9 trillion from privatization, with nearly 7 trillion of this coming from the sale of shares in companies that have already been privatized, first and foremost the oil and gas complex and the newly privatized enterprises. The state is also sucking this money out of the stock market. These measures could suppress all investment activity, that is to say, the demand for enterprise shares will fall and it will not be advantageous to the banks to invest—it is simpler to invest money in short-term state bonds. Such fears persist, although correctives were incorporated in the budget. Not 42-43 trillion, but only R30 trillion from the sale of state securities are to be used to cover the deficit. Of this, approximately 12-15 trillion is to come from the issuing of short-term state bonds. This is, on the whole, a realistic sum which it is possible to obtain, taking into account the development of the actual technology of the sale of state securities, their dissemination to a greater number of regions, and the sale of short-term state bonds to the population through the banks (for instance. the network of Savings Bank branches). Nonetheless, by no means everything is clear as regards other securities that the government will issue.

[Kapkov] As a continuation of that question, I would like to ask: How is the system of implementation of investment projects by the Ministry of the Economy and the banks envisaged? Will their efforts be pooled?

[Zadornov] This is where we see the solution. In the third reading we tried to make provision for several plans incorporated in the budget, which could only be implemented in collaboration with the banks. Let me tell you what I mean. Two such plans are incorporated in the investment section of the budget. First and foremost this means the placing of 1,300 billion on a competitive basis for the implementation of investment projects that would recoup costs rapidly. What is the essence of this plan? It is that the competition commission accepts competitive projects for consideration absolutely openly, on the following terms:

—the project would pay for itself in less than two years, the state provides 20 percent of the cost of the investment project, 20 percent is invested by the property owner himself—that is, a private enterprise or joint-stock company—and 60 percent is attracted in bank capital. A plan is to be drawn up whereby (this is still only hypothetical) those banks that take part will receive certain forms of preferential treatment.

If this plan is successfully implemented in a sum of 1.5 trillion of state money, four times that will be added to it in private money. That will be a significant change in the investment situation.

Second. We have increased conversion credits by 1 trillion. These funds will go on commercial projects that will pay for themselves quickly.

[Kapkov] You mentioned that considerable sums have accumulated in enterprises' hard currency accounts abroad—for a rainy day, so to speak—and are not being utilized in our country's economy. Would it not have been simpler to bring back these funds through the amnesty that was declared recently for the "new Russians"?

[Zadornov] The idea is clear and fairly obvious to everyone. It is much better to rely on the return of our own capital which is in the West, than on investments purely from foreign investors. It is clear that, given stability, our capital will return here more quickly. But here it is very easy—as we saw over the 10 years of perestroyka—to discredit even the best idea, the right idea.

Haste and lack of preparation are dangerous here. The situation in the country must be such that people have an interest in bringing back capital. That means a low inflation rate and state guarantees of security both for people and for this capital, something that does not now exist.

Therefore if we make some decision in a hurry now—and I do not rule that out (the deputies have their drafts already)—this idea will be buried. This step certainly needs preparation, but it can only be properly implemented by a new government that enjoys unconditional support and has achieved manifest success in two areas: in economic policy, which must enjoy the confidence of entrepreneurs and of the population as a whole. And the second feature must be the suppression of crime, the elimination of the threat of racketeering at all levels.

Until we tackle these problems, it is, in my view, unrealistic to expect a mass return of capital.

Giant Rostov Combine-Building Plant To Get Government Loan

MK1803124095 Moscow SEGODNYA in Russian 18 Mar 95 p 1

[SEGODNYA report: "'Rostselmash' To Get a Loan After All"]

[FBIS Translated Text] Viktor Chernomyrdin, chairman of the Russian Federation Government, signed a decree 14 March on giving the "Rostselmash" joint-stock company a budget-financed loan of 80 billion rubles, the press service of the Rostov Oblast Administration chief reported 17 March. This money is intended to help the plant resume the production of grain combines to be subsequently turned over free of charge to the leasing fund for the sale of equipment to agricultural producers.

International Affairs

Kiev: Russian Cossacks Refuse To Support Crimea

LD2003151095 Kiev UNIAN in Ukrainian 1420 GMT 20 Mar 95

[FBIS Translated Text] Kiev, [no date as received]—Yuriy Meshkov has appealed to the Russian Cossacks with a call for support. However, according to information of the Ukrainian Internal Affairs Ministry, they have refused and are not intending to come to Crimea. Leonid Borodych, Ukraine's first deputy internal affairs minister informed UNIAN of this on 20 March.

According to him, the internal affairs bodies are carrying out checks of the approach to and territory of the peninsula "so as not to allow weapons, explosive substances or drugs to be brought in."

According to Borodych, the Ukrainian Internal Affairs Ministry is not in possession of any information on intervention in the Crimean events by Black Sea Fleet servicemen.

The Ukrainian first deputy internal affairs minister called the reports by the Russian mass media, particularly Ostankino, on the exacerbation of the situation in Crimea "a lie," and stated that there is not a single armored personnel carrier on the streets of Crimea.

Udovenko: Russia Views Crimea Decision 'Calmly'

LD2003161795 Kiev UNIAN in Ukrainian 1245 GMT 20 Mar 95

[FBIS Translated Text] Borispol Airport—The visit to Kiev by Oleg Soskovets, Russian first deputy prime minister, shows that Russia has perceived the Ukrainian Supreme Council's decision on annulling the Crimean Constitution and institution of the presidency calmly, Ukrainian Foreign Affairs Minister Hennadiy Udovenko stated in an interview with journalists on 20 March, prior to the arrival of the Russian delegation.

He reported that telephone conversations between Ukrainian President Leonid Kuchma and Russian Prime Minister Viktor Chernomyrdin and between Ukrainian Parliament Chairman Oleksandr Moroz and the leadership of the Russian State Duma took place on 19 March, during which detailed information was provided about the Ukrainian parliament decision and the situation in Crimea. Udovenko said that following these conversations Ukraine is certain that Russia has an understanding attitude to these issues.

The head of the foreign policy department noted that it would be incorrect to reject Russian interests in Crimea; therefore Ukraine "considers itself obliged to inform the Russian power structures in good time" of the situation on the peninsula.

Udovenko also stated that Ukraine's position on proposals on dual citizenship remains unchanged.

Russia's Soskovets Arrives in Kiev for Talks

LD2003115895 Kiev UNIAR in Ukrainian 1145 GMT 20 Mar 95

[FBIS Translated Text] Kiev, 20 Mar—A Russian Government delegation led by Russian First Deputy Prime Minister Oleg Soskovets has arrived in Kiev. Soskovets stated that the delegation aims to examine some contentious issues of the bilateral Ukrainian-Russian treaty, of which Soskovets called the issue of dual citizenship the main one. The dates of the visit to Kiev by Russian President Boris Yeltsin may also be coordinated and determined at the Ukrainian- Russian talks.

Plans Finalized for Russia-Ukraine Summit

LD2003134295 Moscow ITAR-TASS in English 1218 GMT 20 Mar 95

[By ITAR-TASS correspondents Oleg Velichko, Viktor Demidenko, Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 20 TASS—Russian First Deputy Prime Minister Oleg Soskovets arrived in Kiev on Monday [20 March] to finalise preparations for the upcoming Russian-Ukrainian summit.

Within two days, Soskovets and Ukraine's Acting Prime Minister Yevhen Marchuk intend "to solve the rest of unsettled problems", the government press-service told ITAR-TASS.

Observers point out, however, that it is going to be a difficult matter. The Ukrainian Parliament's abolition of the pro-Russian Crimean Constitution and abrogation of presidency in the peninsular republic may be the "stumbling-block" to the Russian-Ukrainian talks, some analysts consider.

But Ukrainian authorities stick to another opinion about the problem.

Ukrainian Parliament's Speaker Oleksandr Moroz told reporters that "the decisions adopted by the Ukrainian Parliament on the so-called 'Crimean problem' will in no way influence relations beteween Ukriane and Russia".

It is "our internal problem, and we are trying to solve it in conformity with Ukraine's Constitution and in keeping with the international law", the speaker of Ukraine's Parliament said.

Soskovets Outlines Goals of Visit

LD2003160495 Moscow ITAR-TASS in English 1543 GMT 20 Mar 95

[By ITAR-TASS correspondents Oleg Velichko, Viktor Demidenko, and Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 20 TASS—"The main goal of the visit to Kiev by the Russian delegation is to resolve the disputable issues between the two countries in the run up to Russian President Boris Yeltsin's upcoming visit to Ukraine," First Vice-Prime Minister Oleg Soskovets said.

"First of all, this concerns the payment of Ukraine's debt for energy supplies and the final determination of the status of the Russian part of the Black Sea Fleet," he said.

Soskovets is in Kiev as head of a Russian working delegation to thrash out documents for the forthcoming Russian-Ukrainian summit meeting. The Ukrainian delegation to the talks is led by acting Prime Minister Yevhen Marchuk.

Soskovets stressed that "considerable progress" has been achieved on the question of the Black Sea Fleet. Russian proposals were handed over to the Ukrainian side last week, he added.

"Especially inspiring is the fact that the positions of the two states coincide on may issues," Soskovets said.

During the two-day working visit, the Russian delegation plans to sign an agreement on basic principles of the establishment of Russian-Ukrainian finance and industrial groups, including international aircraft engines. The sides are also expected to sign an agreement on the exploitation of pipelines and motor communication.

Marchuk noted that nothing can prevent President Yeltsin's visit. The present level of relations between the two countries and the current negotiating process prove this, he added.

The Ukrainian acting premier emphasised that "Russian aspects in Ukraine's foreign policy have a priority" and assured the Russian delegation that the Ukrainian side is set for constructive work.

Russia and Ukraine have set up working groups to deal with the following issues: the Black Sea Fleet, economic problems and Soviet property abroad.

The two sides are expected to sign an agreement on the rescheduling of the Ukrainian debt to Russia later today. The Russian delegation is also scheduled to be received by Ukrainian President Leonid Kuchma.

Credit, Gas Supply Agreements Signed

LD2003163095 Moscow ITAR-TASS World Service in Russian 1609 GMT 20 Mar 95

[By ITAR-TASS correspondents Oleg Velichko and Viktor Demidenko]

[FBIS Translated Text] Kiev, 20 Mar—An intergovernmental agreement on the rescheduling of Ukraine's debt and the state credit provided by the Russian Federation has been signed in Kiev by First Deputy Prime Minister Oleg Soskovets and Ukraine's Acting Prime Minister Yevhen Marchuk.

An agreement was also signed between the Ukrainian Government and the Russian joint stock company Gazprom on principles for the regulation of the Ukraine's debt for the natural gas supplied by Russia in 1994 and on the payment of bills for natural gas in 1995.

Kiev, Moscow at Odds Over Black Sea Fleet Division

LD2003213395 Moscow INTERFAX in English 1856 GMT 20 Mar 95

[FBIS Transcribed Text] Kiev, Mar 20 (Interfax-Ukraine)—Ukraine and Russia appear to be largely at odds on the principles of dividing up the Black Sea Fleet.

It is now known that Moscow wants the Russian navy and headquarters to be based at Sevastopol with the Ukrainian naval headquarters being deployed at Donuzlav, 140 kilometers east of Sevastopol.

Russia also wants Fleet facilities in Sevastopol and the presence of its land troops and naval aircraft in Crimea.

Although Kiev does not object to the deployment of the Russian navy and headquarters in Sevastopol, its draft declaration makes no mention of land troops, Marines or naval aircraft.

Ukraine will never agree for its navy headquarters to be transferred to Donuzlav, Ukrainian navy sources told Interfax-Ukraine.

Russia's First Deputy Prime Minister and Chief Negotiator Oleg Soskovets speaking in Kiev Monday [20 March] said negotiations on the Black Sea Fleet issue were hard going, but he hoped for a final breakthrough.

Development, Course of Trade With China Viewed

WS2003133095 Kiev INTELNEWS in English 0119 GMT 20 Mar 95

[Report by Natalia Olynec and Andriy Chyrva: "Ukraine Stakes Its Territory on the Pacific Rim"—from the "Economic Review" feature; all Chinese placenames are as received]

[FBIS Transcribed Text] The Ukraine-China trade partnership is becoming more important to both nations as they move away from the former communist economy toward market economies of their own. Ukraine's Foreign Trade Ministry expects trade between the two nations to reach $3.5 billion within five years, up from last year's $700 million.

Each state is preparing for the second meeting of the Chinese- Ukrainian Joint Committee for International Trade and Cooperation to be held in Beijing April 2-5. Ukrainian Deputy Prime Minister Vitaliy Shmarov and

Chinese Machine-Building Minister Khekhuan Yuan [name as received] will head the talks. "

"Ukraine has a niche in China, but we must actively pursue it," says Ihor Turchin, Responsible Secretary of the Committee.

A linked history and codependent economies precipitated today's solid Chinese-Ukrainian trade relations, according to Chinese Ambassador to Ukraine Zhang Zhen. A "traditional and close friendship played an important role in China's recognition of Ukraine as an independent state," he said.

Ukraine is China's second largest trade partner in the CIS, led only by Russia. Ukraine, which has a trade surplus with China, sells its exports for hard currency rather than barter. Last year this totaled 75 percent of Ukrainian-Chinese trade turnover in 1994.

Ukraine's leading exports to China are ferrous metals (80 percent); chemical products (10 percent); and tools (3 percent). At 86.1 percent, consumer goods led last year's $80 million imports from China to Ukraine. Footwear, textiles and electronic appliances topped the consumer goods list. Food imports totaled 4 percent.

"The combination of Ukraine's scientific potential and Chinese economic opportunities makes working together very fruitful," says the Foreign Trade Ministry's Nadia Shumak.

But Ukrainian officials are concerned about the low amount (4 percent) of finished products exported to China. Ukraine plans to increase its machinery and tools exports to China in 1995, as well as traditional exports such as ferrous metals and fertilizers. Ukraine and China are trading at world price levels, says Turchin. The only snags are Western intermediary firms from Switzerland, Luxembourg and Great Britain, which sell Ukrainian metals and raw materials to China. According to Turchin, both China and Ukraine would prefer direct contacts but each need to obtain bank guarantees, export and transport insurances.

"This is simply the cost of perestroika. In time we will solve this problem because China has begun a radical liberalization of its economy, and Ukraine, in effect, has done the same," he said.

Made By the USSR

In the nineteen-fifties and early sixties, more than 150 large industrial enterprises in China, including its biggest metallurgical plants, were built with technical assistance from the Soviet Union. Today the majority of these enterprises need to be modernized and are again seeking the expertise of former Soviet technical specialists. But the growing pains of these new market economies sometimes stymie cooperation. Four decades ago the Soviet Union helped China build one of its first car plants. The factory's administration has repeatedly requested aid to purchase modern equipment and spare parts from Russian or Ukrainian business partners, but neither country responded. Ukraine lacks sufficient funds to provide Chinese industrial enterprises with modern machine tools and other necessary equipment; and China does not have enough money to pay to reconstruct its industrial enterprises In a move contrary to their current trade protocol, both governments are considering a type of barter aimed at alleviating such difficulties. Turchin said Beijing might provide magnasite in return for Ukrainian technical expertise to reconstruct Chinese metallurgical complexes. The Asian Bank of Reconstruction and Development is considering financing Ukraine's reconstruction of Chinese enterprises.

Building a New Foundation

China's economy today is shrugging its privileged Soviet-era status, when Moscow provided its communist allies with subsidized raw materials and products.

After visiting China in December, Ukrainian National Science Academy President Boris Paton said he was impressed by the economic progress achieved in recent years. "By implementing its economic reforms and switching over to international quality standards, China is becoming an equal member of the international community and developing cooperation with other countries on mutually beneficial principles. Any commodities should be paid for," he said. Although Ukraine and China developed direct trade ties from zero in 1991, the two countries now cooperate not only in trade, but in research, development and manufacturing too. More than 40 Ukrainian-Chinese joint ventures are registered in Ukraine. Although most are involved in trade activity, two are manufacturing high-tech color televisions. China has submitted proposals for the production of mini-tractors in Ukraine with domestic parts, for subsequent sales in third countries. Ukrainian officials are also studying plans to build auto plants in China to produce Ukrainian KrAZ and Tavria cars. Five-door cars are in demand for use by taxis in major Chinese cities, according to Foreign Trade Ministry officials.

Space research is another area of Ukrainian-Chinese cooperation. China began developing its space exploration program in the early seventies, when relations between the two largest communist countries drastically deteriorated because of ideological differences. But now, in a new spirit of cooperation, the two countries are actively seeking joint space projects. China has already launched 36 research and military satellites and has developed its own space rocket, the Great Voyage. Meanwhile, Ukraine's Earth exploration techniques and spacecraft design are attracting Chinese researchers. The two countries have reached a preliminary agreement for Chinese scientists to train in Ukraine. Ukraine has a long history of training Asian and African specialists, and many students from Central and Northern China study in Ukrainian universities. "Our commission's main goal is to raise the technical and engineering services, which

Ukraine once offered to this part of the world, to their former high levels," says Turchin. Yuan, the head of the Chinese side in the Committee talks, studied at Kiev Polytechnic Institute in the sixties. One recent form of Ukrainian-Chinese cooperation is to link specific cities and regions of the two countries. To date, there are 24 pairs, which organizers hope will encourage direct contacts among area industries, thereby avoiding the barriers of unwieldy bureaucracies. "Although our state enterprises work independently, they don't have the proper connections for production cooperation," said Turchin. Mykolayiv and the southern Chinese city of Shan Tow plan to create a joint export-import center. The two historical cities of Chernihiv and Tsi Bo also established ties, but so far economic cooperation is in very early stages. Chernihiv firms are interested in manufacturing small Chinese televisions, but so far China has not responded. The Ukrainian cities of Lvov and Feodosia have also applied for partners in the sister city project. The star of these regional programs is the partnership between Kiev-based Paton Electric Welding Institute and the Electric Welding Institute in Harbin in northeast China. The two institutions will this year create a joint research center to develop new electron beam welding technologies. Advanced technologies developed by the center will be introduced at a number of machine-building plants in southern China. Similar ties are set with the Harbin turbine plant that produces a third of China's steam, gas and hydraulic turbines. Chinese researchers hope to use Ukrainian turbine production expertise to increase electric energy production by 52-54 percent.

Trade Agreement Signed With United Arab Emirates

LD2003223095 Kiev UNIAN in Ukrainian 1830 GMT 20 Mar 95

[FBIS Translated Text] Abu Dhabi—On 20 March the governments of Ukraine and the United Arab Emirates signed an agreement on economic trade and technical cooperation—the first of its kind with a Gulf state. Viktor Petrov, minister of machine building, military-industrial complex and conversion, signed the document for the Ukrainian side.

Under the agreement, the two sides will set up a bilateral commission for cooperation. There are plans to sign in the near future a number of bilateral documents, including a convention on avoidance of double taxation, an agreement on mutual protection of investments, and others.

A Ukrainian government delegation visiting the United Arab Emirates held talks at the country's Ministry of Foreign Affairs on 20 March. The head of the delegation, Valeriy Shmarov, deputy prime minister and minister of defense, handed Sheikh Hamdan Bin-Zayid Al Nuhayyan, UAE minister of state for foreign affairs, a personal letter from Ukraine's President Leonid Kuchma to the UAE president. The letter expresses appreciation for help in the organization of Ukraine's participation in the Idex-95 international exhibition of arms and military technology.

Moldovan Delegation Signs Free-Trade Accord

AU2003145795 Kiev HOLOS UKRAYINY in Ukrainian 15 Mar 95 p 6

[Unattributed report: "Strictly According to Plan"]

[FBIS Translated Text] On 14 and 15 March, a Moldovan government delegation, headed by Moldovan Minister of Industry Grigore Trifoi, was in Kiev on an official visit. The delegation included representatives of the Moldovan National Bank and leaders of industrial enterprises.

An agreement on free trade was signed and prospects for concluding an interbank accord discussed. Bilateral negotiations were also held at the Ministry of Industry, Ministry of Machine Building, Military-Industrial Complex, and Conversion, and Ministry of Economy, as well as at Ukraine's National Bank.

National Affairs

Crimea Reported Calm Over Weekend

LD2003120795 Moscow INTERFAX in English 1116 GMT 20 Mar 95

[FBIS Transcribed Text] SIMFEROPOL, Mar 20 (Interfax-Ukraine)—The situation in the Crimea over the past weekend was calm. There were no acts of civil disobedience by Crimeans following the decision on the Crimea by the Ukrainian parliament on March 17. This statement was made in Simferopol on Monday in an interview with Interfax-Ukraine by Deputy Ukrainian Interior Minister, Valeriy Chernyshev.

Chernyshev arrived in Crimea on March 17 with 200 special policemen from the Berkut Unit.

Last Friday the Ukrainian parliament annulled the Crimean Constitution and the institution of the presidency.

According to Chernyshev, a spontaneous public rally held by around 50 people continued in front of the Crimean parliament building in Simferopol over the weekend. Those present at the meeting did not violate public order.

Chernyshev said that the criminal and political situation in the Crimea is under control by the Ukrainian authorities. He expressed surprise about allegations, carried in certain news media, concerning an aggravated situation in the autonomous republic. He qualified as "misinformation" the rumors about movement of Ukrainian military vehicles, as well as about Ukrainian special units blocking the Crimean parliament building in Simferopol.

Crimean Parliament Delegation Will Go to Kiev For Talks

LD2003172095 Kiev UNIAN in Ukrainian 1550 GMT 20 Mar 95

[FBIS Translated Text] Simferopol—At a session of the Crimean parliament today, deputy chairman Oleksandr Frolov proposed a list of deputies to form a delegation for talks with Kiev. It is proposed that another deputy speaker, Volodymyr Klychnykov, will head the delegation. Other delegates will include Vitaliy Rudakov (Rossiya-Yedinstvo group), Nadyr Bekirov (Kurultay group), Yuriy Zyryanov (Rossiya-Yedinstvo), Borys Kyzylov (Respublika group), and Volodymyr Kolodkin (Russia group). The delegation will be finally approved at the Crimean parliament session on March 22.

The session also decided to put the government's report on the March 22 agenda. Parliament Chairman Serhiy Tsekov said the report could yet be postponed when deputies approve the agenda. The Crimean Parliament speaker told the session he has spoken on the telephone with Ukraine's Supreme Council Chairman Oleksandr Moroz, who asked Tsekov to postpone Crimea's local election to a later date. According to Tsekov, Moroz maintains a neutral stance on the Crimean issue.

Moroz Against Direct Presidential Rule in Crimea

LD2003171795 Kiev UNIAN in Ukrainian 1245 GMT 20 Mar 95

[FBIS Translated Text] Kiev—Much will depend on the actions and decisions of the Supreme Council of Crimea following the adoption by the Ukrainian parliament of resolutions on Crimea, Oleksandr Moroz, the chairman of the Ukrainian Supreme Council, said during a news conference on 20 March. He described the resolutions that had been adopted as "timely proceeding from the situation that had arisen."

The statement adopted by Crimean colleagues on 18 March were described by Oleksandr Moroz as "emotional" noting that "if it continues in this way" it would prove that "they do not understand the situation." Oleksandr Moroz said: "We proceeded from legal not political grounds and used up all the possibilities for compromise. Nobody can accuse us of an unbalanced approach in adopting the decisions."

The head of the Ukrainian parliament said that the decision on Crimea was perceived as "normal" on the peninsula and some people even indicated that it was overdue.

Oleksandr Moroz considers it inexpedient to introduce direct presidential rule in Crimea since there the government and local power bodies were under the jurisdiction of the central authorities.

According to Oleksandr Moroz, the disinformation of the Russian mass media on the situation in Crimea is connected with the absence of objective information.

Lifting Moratorium on Referendum Said 'Inexpedient'

LD2003151495 Kiev UNIAN in Ukrainian 1130 GMT 20 Mar 95

[FBIS Translated Text] Simferopol [no date as received] It is inexpedient to lift the moratorium on a referendum on the status of the autonomous Crimean Republic now because this will "give the trump card to radically inclined forces in Ukraine to resolve the issue with the Crimean Supreme Council, and maybe with the republic." [sentence as received] Crimean Parliament Speaker Serhiy Tsekov said this in a speech to local television viewers on 19 March.

Tsekov emphasized again that the Crimean president was a legitimate one, and his fate can only be decided by the voters who cast their votes for him. According to Tsekov, the institution of the Crimean presidency and the post of Crimean president will be retained.

Among the reasons for the "hurried staging" of the Crimean issue at the Ukrainian Supreme Council session, Tsekov named the consolidation of the Russia election bloc, the government's report set for next Wednesday, the desire of radically inclined forces in Ukraine to disrupt the signing of the wide-ranging Ukrainian-Russian treaty, and also "complex relations between the legislative and executive authorities in Ukraine."

The Crimean Supreme Council speaker believes that relations between Ukraine and Crimea have now become complicated and predicts that relations between Ukraine and Russia will also become complicated.

Tsekov: Crimea Constitution Annulment Against Peoples' Will

LD2003182295 Kiev UNIAR in Ukrainian 1630 GMT 20 Mar 95

[FBIS Translated Text] Kiev, 20 Mar—The decision of the Ukrainian parliament to annul the Crimean Constitution and to abolish the post of president completely ignores the will of the people of the Republic of Crimea. This was stated in an interview with Serhiy Tsekov, chairman of the Crimean Supreme Council, in an interview to the "Krym" TV company.

Mr. Tsekov said that the Supreme Council of Crimea intends to propose to the Ukrainian parliament to allay the decision and to continue talks on these problems.

Crimean President Yuriy Meshkov has not asked for help from Russian cossacks or any other combat formations, and does not intend to do so in future. Mr. Spakhov, an adviser to the president of Crimea from the Information and Analysis Service, said this officially to representatives of the mass media. The occasion for this denial was the information carried on Radio Russia.

Tsekov Proposes Rescheduling Local Elections

LD2003204295 Moscow INTERFAX in English 1735 GMT 20 Mar 95

[FBIS Transcribed Text] Simferopol, Mar 20 (Interfax-Ukraine)—Crimean Parliament Speaker Sergey Tsekov told senior parliamentary officials in Simferopol that during a Monday telephone conversation with his Ukrainian counterpart Oleksandr Moroz he proposed that Crimean local elections to be rescheduled from April 29 to a later date.

The Ukrainian parliament (Verkhovna Rada) meeting last Friday abolished the law on Crimean local elections.

A correspondent for Interfax-Ukraine says Tsekov described his counterpart's reaction as neutral though Moroz had agreed to consider the issue at the Monday meeting of the Rada presidium.

"We are not in a good bargaining position. But a crucial solution must be found to break the current deadlock", he said.

Crimean Parliament Chairman Rejects Ukrainian Move

LD2103110895 Moscow ITAR-TASS World Service in Russian 1031 GMT 21 Mar 95

[By ITAR-TASS correspondent Lev Ryabchikov]

[FBIS Translated Text] Simferopol, 21 Mar—Sergey Tsekov, chairman of the Crimean parliament, has told a news conference today that both Ukrainian laws and earlier accords between Ukraine and Crimea were violated as a result of the Ukrainian Parliament's decision to rescind the Crimean Constitution and abolish the institution of the Presidency.

In the view of the chairman of parliament, the Constitution of the Republic of Crimea is still in force, since the republic's Supreme Council has not taken any decision to revoke it. Tsekov believes that the same applies to the institution of the presidency. Its legitimacy is corroborated by the Crimean constitution, and the Supreme Council will insist on retaining it, he said.

Tsekov also considers the decision adopted by the Ukrainian parliament as an attempt to undermine the conclusion of the treaty between Russia and the Ukraine. He believes that the Ukrainian Supreme Soviet rushed to take its decisions on Crimea because of the emerging rapprochement between the Crimean parliament and the president, the revival of the socio-political "Russia" block on the peninsula, and the report the Crimean Government was due to deliver at the parliamentary sitting on 22 March.

The chairman of the Supreme Soviet has appealed to journalists to cover the situation in Crimea as objectively as possible. He underlined that the situation in the republic is quite calm.

Meshkov: Charges of Power Abuse 'Scandalous'

WS2103093895 Lvov INFOBANK in English 0837 GMT 21 Mar 95

[From the "News Service" feature]

[FBIS Transcribed Text] At a press conference on March 20, the former Crimean president, Yuriy Meshkov, said that the decision of the Supreme Council of Ukraine to abolish the Crimean constitution and the post of the Crimean president will cause a large number of illegalities. He pointed out that the Crimean president was elected by all residents of Crimea and there is no Supreme Council which can change or abolish their will. Meshkov added that the instruction given by the Ukrainian Parliament to the Ukrainian General Prosecutor to file charges against the former Crimean president for his abuse of powers was scandalous. At the same time, Meshkov hopes that there will be no violent public outcry in Crimea.

The Crimean Supreme Soviet appealed to President Yeltsin and the Federal Congress of the Russian Federation with a request not to sign an agreement between Ukraine and Russia without considering the interests of the Crimean Republic and its citizens. It was suggested that the Ukrainian Supreme Council would base the comprehensive agreement between Ukraine and Crimea on the Crimean Constitution of May 6, 1992. Crimean deputies wish the Ukrainian president to become a guarantor of this agreement. The Crimean Supreme Council expressed its readiness to remove a moratorium on the All-Crimean Referendum about the status of the Crimean Republic.

Crimean Parties, Groups React to Ukrainian Abolition

LD2003210295 Moscow ITAR-TASS in English 1954 GMT 20 Mar 85

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Transcribed Text] Moscow March 20 TASS—Crimea remains apparently quiet after its constitution and presidency have been abolished by the Ukrainian parliament, but activities of several political parties and movements have been cropping up.

ITAR-TASS was told by sources in Sevastopol that the Russian Party of Crimea issued a statement today, in particular saying that "on March 17, 1995 the Ukrainian Supreme Soviet (parliament) attempted to use political dictation and force to abolish the foundations of Crimean statehood by cancelling the Crimean Constitution of May 6, 1992 and presidency".

The party's statement says the sole mean to find a solution is to grant the people the right to hold a referendum on Crimea's status.

The party offers to put up for the referendum three alternatives: independent Crimea, Crimea with Ukraine and Crimea with Russia.

The party appealed to the Russian president, parliament and the world community to act a guarantors of the "pan-Crimean status referendum".

Another statement was issued by Sevastopol's branch of the Crimean Voters' Movement for the republic of Crimea. The statement says Ukraine's decision "may not be qualified as an internal affair of Ukraine, for it violates provisions of the universal human rights declaration and the international human rights pact".

The Sevastopol branch demands reversal of Ukraine' enactment and of its ban on the referendum on Crimea's status.

Sevastopol's Russian community, the Russian Party and the Crimean voters' Movement on Monday addressed an open letter to the Russian leadership. The letter demands that the Russian president, Parliament and Government do not draw the drafted friendship agreement with Ukraine without account for interests of Crimea and Sevastopol.

Troop Movement Around Crimea Denied

LD2003190895 Moscow ITAR-TASS in English 1832 GMT 20 Mar 95

[By ITAR-TASS correspondent Lev Ryabchikov]

[FBIS Transcribed Text] Simferopol March 20 TASS—Ukrainian Security Service Chief in the Crimea Ivan Kolomytsev denied reports about troop movement in the regions bordering on the Crimea, describing them as absolutely untrustworthy.

In an interview with ITAR-TASS on Monday [20 March], Kolomytsev said that no troops have been sent to the Crimea and that reports about alleged regrouping of troops on the peninsula are mere rumours.

He stressed that the situation in the Crimea remains calm. Only police and Interior Ministry troops are enforcing law and order in the republic, he added.

Meshkov Still Working Without Phones

LD2003174695 Moscow Mayak Radio Network in Russian 1630 GMT 20 Mar 95

[FBIS Translated Text] Our correspondent has reported that today Crimean President Yuriy Meshkov has been working in his office where telephones have been cut off. Our correspondent quoted a Ukrainian deputy interior minister, who has arrived in Crimea with a detachment of special purpose troops, to the effect that the detachment has no plan or order to arrest Yuriy Meshkov and is to deal with combatting crime.

Meshkov Ordered To Hand in All Official Arms

LD2003210595 Moscow INTERFAX in English 1856 GMT 20 Mar 95

[FBIS Transcribed Text] Simferopol, Mar 20 (Interfax-Ukraine)—Yuriy Meshkov, suspended as Crimean president by the Ukrainian parliament on March 17, was officially ordered at 18:00 Monday to hand in official arms within 24 hours, Ukrainian Deputy Interior Minister Valeriy Chernyshov told journalists.

Former Crimean Interior Minister Valeriy Kuznetsov had given Meshkov two handguns, one TT and one PSM, as well as ammunition.

If Meshkov refuses to obey, he will face sanctions devised by the Ukrainian legislation, Chernyshov emphasized.

According to Chernyshov, Meshkov's guards applied for vacations. "This request will be satisfied," he said. "Nothing terrible will happen if Meshkov's guards stay with him for several more days," he added.

Chernyshov said 15 road police crews had arrived in Crimea Monday to reinforce the traffic police on the peninsula.

Chernyshov told journalists that the situation in Crimea remained calm.

Economic Issues

Marchuk Requests Removing VAT on Gas, Oil

WS2103094795 Lvov INFOBANK in English 0837 GMT 21 Mar 95

[From the "News Service" feature]

[FBIS Transcribed Text] Ukrainian Acting Prime Minister Yevhen Marchuk addressed the Supreme Council with a proposal to introduce an amendment to the bill on value-added tax. This amendment stipulates that the value-added tax be removed from gas and oil which are imported to Ukraine for further use in industrial purposes. The Presidium of the Supreme Council included the debate over the bill on value-added tax in the list of issues to be discussed at the parliamentary plenary meetings this week.

Nuclear Power Plants Unable To Dispose of Spent Fuel

WS2103103295 Lvov INFOBANK in English 0837 GMT 21 Mar 95

[From the "News Service" feature]

[FBIS Transcribed Text] The Southern Ukrainian nuclear power plant has received a loan of 300 billion karbovantsi [K] from the Mykolayiv regional branch of PROMINVESTBANK (Industrial Investment Bank). This loan will be used for the purchase of nuclear fuel from Russia. In April, it is planned to stop operations of the first block of the plant's energy unit, which then will be refilled with the first portion of the received fuel.

Southern Ukrainian plant manager Volodymyr Fuks has told an INFOBANK correspondent that consumers are in debt to the plant by nearly K6 trillion. According to Fuks, there is another reason which may lead to the termination of the functioning of nuclear power plants in Ukraine in 1995-1996: The lack of storehouses for the storage of by-products of fuel processing. Until 1991, batteries with processed fuel were shipped to Russia. However, after the collapse of the USSR, Russia has enacted a number of laws which prohibit the shipment of by-products for utilization from other countries. For this reason, Ukrainian nuclear power plants did not export their nuclear by-products during 1992-1993, which led to the latter's excessive accumulation in the available storehouses.

Jan-Feb Statistics on Industrial Sector

954F1814A Simferopol KRYMSKAYA PRAVDA in Russian 16 Mar 95 p 1

[I. Dyakov report: "Worse, But... More Expensive"]

[FBIS Translated Text] No one thought, evidently, that the output volume in Crimea could be maintained at a constant level in the first months of winter. Many enterprises had come to a halt on account of the shortage of electric power, but the grip of the energy crisis was relaxed in February, but industrial production was at a very low mark, all the same.

According to information of the State Committee for Statistics of the Republic of Crimea, the volume of output in industry as a whole in January and February declined 30.1 percent compared with the same period of last year. This indicator in electric power engineering amounted to 9.1 percent, ferrous metallurgy, 29.6 percent, chemical industry, 45.9 percent, mechanical engineering and metal working, 47.6 percent, timber and wood-processing industry, 6.9 percent, construction materials industry, 32.2 percent, light industry, 54.2 percent, and food industry, 22 percent.

It is not only a question of a shortage of fuel and energy resources. As throughout Ukraine, the disintegration of industry continues here. The retooling of production has decelerated sharply and, in places, come to a halt altogether. Machine tools, mechanisms, motor vehicles, combines, and tractors at enterprises and farms are on their last legs. What will happen in two or three years, to what postwar or even prewar period of the past will the national economy be cast back? This question is troubling the broadest strata of society because its living standard is falling also.

These, for example, are indicators characterizing the state of affairs in the branches of industry producing foodstuffs. In the food industry the decline constituted 22 percent, in the bakery branch, 4.5 percent, the confectionery branch, 36.6 percent, macaroni, 10.5 percent, fruit and vegetable, 18.8 percent, meat, 50.4 percent, the butter- and cheese-making and dairy branch, 48.1 percent, fish, 18.9 percent, and the milling and cereals and feed concentrates branch, 14.1 percent. It should be borne in mind here that all this is in relation to January-February of last year, which also were not record but crisis months.

The situation is no better in the branches manufacturing industrial products. Some 16.3 percent less arc-welding equipment, 37.7 percent less soda ash, 73.7 percent fewer saw logs, 43.3 percent less cement, 16 percent fewer wall materials, and 27.4 percent fewer ferroconcrete structures and items were manufactured compared with last year.

Under the present most arduous conditions some enterprises still managed to stabilize production somewhat. For example, the Krymtrikotazh Association increased output 24.9 percent, the Simferopol Krupskaya Garment Factory, 8.1 percent, and the Simferopolselmash Plant, 133.7 percent. Production was maintained at the previous level in the Vtormet Association.

Our industry is tied by thousands of invisible threads to the economy of Ukraine, Russia, and other countries of the CIS. It is from there that orders, raw material, and intermediate products should be received. But we are, in fact, having to wait an awfully long time for all this. In some instances there is no need for Crimean products, in others there is no money to pay for the raw material and components.

Despite the upbeat declarations concerning the desirability of the creation of a unified economic space in the CIS, the disintegration processes continue. Our enterprises are feeling their effects also.

This applies to the defense industry complex, for example. A report that the Russians had established the manufacture of new Topol missiles only from their own materials and components crept into the Moscow press recently. This was followed by an explanation that the powerful Ukrainian missile industry had thereby been left without work. Certain Crimean enterprises, which have been left without important orders, worked for the latter also, incidentally.

This is not an isolated example. Both in Russia and in Ukraine many enterprises that were all-Union enterprises are switching to manufacturing cycles that do not go beyond state borders. As a result everyone is the loser. The products are frequently worse in comparison with those that the enterprises could make by joint efforts and more expensive.

Mechanical engineering, shipbuilding and ship repair, and even light industry are in a similar situation. It remains merely to be hoped that the general disintegration and collapse will, for all that, be overcome and that a reform of the economy geared to its recovery and society's higher living standard will really begin.

Belarus

Deputy Foreign Minister on Visit to U.S.

WS2103082395 Minsk BELAPAN in English 1200 GMT 20 Mar 95

[FBIS Transcribed Text] In view of the Republican Party victory in the last elections to the U.S. Congress, the United States may sharply reduce the scale of aid rendered to other countries, including Belarus, Valeryy Tsepkala, Belarusian first deputy minister for foreign affairs, declared at a news conference on 17 March.

At the beginning of March, Mr. Tsepkala headed a Belarusian delegation which visited Washington where a sitting of the Belarus-U.S. Committee for Defense Conversion took place. In accordance with the Nunn-Lugar Program, Belarus is to receive $100 million for nuclear disarmament. During the visit, the specific use of $25 million was discussed. The resources will be used for the carrying out of three programs: defense conversion, housing construction for servicemen, and the retraining of former servicemen.

According to Mr. Tsepkala, the Belarusian side managed to persuade the United States that the resources that had been promised to Belarus should be regarded as "our share in the joint enterprises in the former defense-oriented industrial complex." In Mr. Tsepkala's opinion, the establishment of such enterprises is especially important for Belarus, as this is a real chance to appear in the world market, using a foreign trademark, the more so, as in the field of high technologies (in particular, in production of semi-conductors and integral schemes) "our country has achieved quite a high level." The sides reached an agreement on rendering aid to Belarus to dismantle launching sites for intermediate-range and shorter-range missiles and utilize rocket propellant. Belarus also made a request for a depository in which to keep radioactive uranium. According to Mr. Tsepkala, the Belarusian side's support for the open-ended and unconditional prolongation of the Treaty on Nuclear Nonproliferation was met with "enthusiasm" in the United States. During the visit to Washington, the Belarusian delegation held talks with representatives of the IMF. The point of extending Belarus a standby loan will be submitted for consideration of the IMF Board in late March or in early April.

Lukashenka on NATO Expansion, Weapons Destruction

LD1803093695

[FBIS Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1800 GMT on 17 March carries a two-minute report by correspondent Lyudmila Vilyuga from the Republic of Belarus on the halt to the destruction of armaments there and on efforts by the republic to gain financial backing for the continued destruction of these armaments. Vilyuga reports that the cost of destroying one tank is $2,500 and of an aircraft is $4,000. Video footage of hundreds of tanks and a related military meeting is shown.

Belarusian President Alyaksandr Lukashenka, in an interview with Vilyuga, says: "When they came to an agreement, the Western states stated that they would finance the destruction of these armaments. Where is this financing? Why should the Belarusian people finance the destruction of armaments out of its budget too? We do not have the money today to destroy these weapons."

With regard to the agreement signed two years ago on a strategic military balance between the Warsaw Treaty and NATO, Lukashenka continues: "The possibility of the advancement of NATO to the frontiers of Belarus due to former Warsaw Pact countries becoming members is neither to the liking of me as president or to the liking of our public."

Lukashenka To Call for Dissolution of Supreme Soviet

LD2003100495 Moscow Mayak Radio Network in Russian 0800 GMT 20 Mar 95

[FBIS Translated Excerpt] The Belarus Supreme Soviet session resumes work today in Minsk. It is quite interesting because Belarusian President Alyaksandr Lukashenka said in an interview with national television that he would propose to the Supreme Soviet after 20 March that it should dissolve itself. Our correspondent Petr Makritskiy has the details:

[Makritskiy] Yes, indeed, he did say that. Moreover, the president also said that not a single member of the current Belarus parliament should be elected to the new parliament, and he asked the voters not to vote for them. Obviously, we are interested in the reaction of the Supreme Soviet itself first of all. Its speaker Mechyslaw Hryb can give the clearest answer.

[Begin recording] [Hryb] There is nothing unlawful in this. This is a normal occurrence. The president does have this kind of legislative power. We will accept this statement and instruct the relevant commissions to study it. The commissions will then submit their proposals to the Supreme Soviet, and we will debate them at a Supreme Soviet session. Obviously, it may bring changes to our agenda.

[Makritskiy] But does this mean that the Supreme Soviet will accept the president's proposals?

[Hryb] The Supreme Soviet has the right to make its own decision on the president's proposal. The Supreme Soviet has to decide how it will continue working regardless of the president's proposal. [passage omitted] [end recording]

Lukashenka Proposes Dissolution of Parliament

LD2103095595 Moscow ITAR-TASS World Service in Russian 0933 GMT 21 Mar 95

[FBIS Translated Text] Minsk, 21 Mar (BELINFORM-TASS)—Speaking at today's session of the Belarus

Supreme Soviet, Republic President Alyaksandr Lukashenka proposed that the deputies should work through to the end of this week and then dissolve. According to the president, the deputies have to make important decisions this week, including the ratification of the recently signed cooperation agreement between Belarus and Russia.

Lukashenka Proposes Referendum, Elections on 14 May

LD2103101395 Moscow ITAR-TASS in English 0957 GMT 21 Mar 95

[FBIS Transcribed Text] Moscow March 20 BELINFORM-TASS—President Alyaksandr Lukashenka of Belarus addressed the republic's parliament today with a proposal to hold new elections to the legislature and a republic-wide referendum on economic union with Russia on May 14.

The president also proposed putting to a popular vote questions about the status of the Russian language in Belarus and about privatisation in the republic.

These proposals came together with the president's call to dissolve the parliament after completing this week's agenda, including ratification of the recent agreements with Russia.

Parliament Reconvenes, Discusses Presidency

WS2003144095 Minsk Radio Minsk Network in Belarusian 1300 GMT 20 Mar 95

[FBIS Translated Text] The session of the Belarusian Supreme Soviet resumed in Minsk today. After the miscellaneous portion of the proceedings, legislators discussed the agenda, several staff-related issues, and began to debate draft legislation.

The law concerning the presidency was the first such document discussed. People's deputies then reviewed a draft law on changes and amendments to local administration and self-administration, as well as a draft law governing principles of service in state bodies.

The Supreme Soviet will begin its evening session in an hour's time.

Moscow Paper Examines Parliament-President Standoff

MM2103114895 Moscow IZVESTIYA in Russian 21 Mar 95 p 2

[Report by Aleksandr Starikevich: "Belarus' Parliamentarians Asked To Disband Voluntarily"]

[FBIS Translated Text] Minsk—Relations between president and parliament in post-Soviet states are rarely serene. Belarus, where confrontation was predetermined from the outset, is no exception: At best Alyaksandr Lukashenka has the support of one-fourth of Supreme Soviet deputies. The moment has now come for the fate of future parliaments as well as that of the preset parliament to be decided.

The term of office of the Belarusian Supreme Soviet, 12th Convocation, is coming to an end. Deputies themselves believe that they should only terminate their activity once a new parliament has been elected (the first round of elections is scheduled for May). They are opposed by the president, who says that the Supreme Soviet was elected in March 1990 for exactly five years and not a month more. On those grounds last week he announced via the mass media that he intends to ask parliament to disband itself. Alyaksandr Lukashenka can voice this idea day in day out in the Supreme Soviet chamber, but he can hardly expect to meet with understanding from deputies.

It is not of course a matter of the two extra months that the incumbent Supreme Soviet wants to stay in existence. In its current state the Belarusian supreme legislative body no longer poses any danger to the president. But the parliament does in principle stand in Alyaksandr Lukashenka's way. It is already clear that the presidential team is unable not only to win but even to take part in the upcoming elections (there are simply no nominees: This was when the failure to create a presidential party really took its toll). Consequently, it should expect nothing good of the future Supreme Soviet.

In this situation two scenarios have gestated within the presidential staff. According to Security Council sources, draft edicts on the dissolution of the current Supreme Soviet (for having completed its term of office) and postponing new parliamentary elections are lying on Alyaksandr Lukashenka's desk. An extremely prosaic reason will be given: The country, which is in the throes of economic crisis, does not have the money for such a costly measure. Let us remind you that not so long ago the Belarusian authorities cited lack of funds after violating international treaties on arms destruction. The fact that the government has so far not paid the Central Electoral Commission any money to hold the elections confirms that possibility. Incidentally, according to the government ruling it should have done so back in February.

But experiments which involve the cancellation of elections in a European state will hardly win the approval of the world community, whose opinion the president, who calls himself none other than the people's president, is compelled to take into consideration. The second more innocent possibility is that in May voters may prefer agricultural to political activity. It is quite possible that it will not be possible to elect a sufficient number of deputies for the parliament to start work at the first attempt. Then at least for a few months the executive will remain the only real branch of power in the country. But for that to occur it is necessary to do away with the current Supreme Soviet's idea of handing over the reins of government directly to its successor.

The president has carried out a softening-up process: Last Friday [17 March] Alyaksandr Lukashenka issued an edict sacking Iosif Seredich, chief editor of the parliamentary newspaper, and appointing his agent to this post. The saga is expected to continue this week....

Lukashenka Orders Dismissal of Third Newspaper Editor

LD2003233395 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 20 Mar 95

[From the "Vremya" newscast]

[FBIS Translated Text] In the meantime, in Belarus, problems associated with the media may generate new friction between president and parliament.

By order of the president of Belarus, Iosif Syaredzich, who headed NARODNAYA GAZETA, the central publication that has beaten all circulation and popularity records in the republic, has become the latest editor to resign, the third to date.

His dismissal was occasioned by a reader's letter, published in NARODNAYA GAZETA, which, in the president's opinion, urges violence and civil confrontation. This time, journalists at other Belarusian publications have not so far rushed in to comment on behalf of their colleague, evidently awaiting the reaction of the Supreme Soviet, of which NARODNAYA GAZETA is the printed organ, and the former editor-in-chief is a deputy. In view of parliament's natural prerogative to decide the fate of its own printed publication, the president's decision is seen here as an infringement of legislation.

[Begin recording] [D.P. Bulakhov, chairman of the Belarusian Supreme Soviet's commission for legislation] No considerations of expediency can serve as a basis for breaking the law. I think that that is an axiom that ought to be understood by everyone. [end recording]

President's Edict To Reexamine Privatization

WS2003143995 Minsk Radio Minsk Network in Belarusian 1100 GMT 20 Mar 95

[FBIS Translated Text] To more perfectly reform the state property and in compliance with the program of urgent measures to resolve the crisis of the Republic's economy, Belarusian President Alyaksandr Lukashenka has signed an edict. He has charged the Belarusian Cabinet of Ministers and the Belarusian Prosecutor's Office—before 1 May 1995—with completing an examination of documents related to the privatization of state property, and with putting forward proposals that declare as invalid the deals on privatization of state and municipal property that were concluded in violation of the law.

They were charged with drafting proposals related to the introduction of changes and amendments to the legal acts that regulate denationalization and privatization of state property—taking into consideration the interests of the state, as owner of the property, and the responsibility of officials for failing to take measures to ensure the storage of this property—and with submitting these proposals for the president's consideration before 25 March 1995.

Kalyakin on Communist Party 'Action Plan'

MM2103121195 Moscow PRAVDA in Russian 16 Mar 95 p 2

[Interview with Sergey Kalyakin, first secretary of the Communist Party of Belarus Central Committee, by correspondent Oleg Stepanenko; date and place not given: "Belarus: Left-Wing Bloc Will Take Another Route"]

[FBIS Translated Text] How is society's decline to be arrested? There is probably no question more important. Belarusian Communists sought to answer that question at the Third CPB [Communist Party of Belarus] Congress, held at the end of last year. Our correspondent converses with CPB Central Committee First Secretary Sergey Kalyakin on the action plan which they have drawn up and started implementing.

[Stepanenko] Sergey Ivanovich, what is the main idea of the program?

[Kalyakin] Averting national catastrophe. The specter of which is already knocking at our door. Plants lie idle and agriculture, science, and culture are in dire straits. Those who work for a living find themselves impoverished and devoid of social protection. The most painful feature is the divergence of interests, the splitting of society into social groups, into small groups and strata even. Everyone looks after number one today, thereby intensifying the disintegration and chaos. Having first caused this destructive reaction, the "democrats" are now promoting and supporting it. As you know, the left-wing bloc in Belarus split last year. This was basically down to the ambitions of certain leaders. But recently eight socialist-oriented political parties and organizations, including the CPB, the Agrarian Party, and the Socialist Party, signed a cooperation agreement.

[Stepanenko] But what specifically do the Communists propose to avert catastrophe?

[Kalyakin] First and foremost, they propose to do away with the destructive mechanisms that are pushing society toward it. In the economy, for example, the market free-for-all is one such mechanism. Market reforms based on the prescriptions of the Friedmans, Sachses, and other monetarists imposed on us by the IMF have destroyed dozens of countries and turned them into colonies. In Peru, for example, they have led to some of the population consuming only 800 calories—less than was given to prisoners in Auschwitz.

[Stepanenko] Incidentally, not a single developed capitalist country in the West applies the prescriptions of the pro-market monetarists being put into effect here.

[Kalyakin] In-depth analysis and study of our own and world experience has led Communists to the clear-cut conclusion that it is senseless for the Belarusian people to seek happiness by deepening and broadening the reforms.

[Stepanenko] What areas does the CPB regard as most important in this struggle?

[Kalyakin] They are all important. But as privatization is the mainspring of the destructive mechanism used by the democratic reformers in the economy, it is necessary to halt that process first and foremost. Today we not only demand an end to privatization but are also putting forward the slogan of deprivatization. The Communists offer a program that meets the interests of the people and takes account of the whole complexity of today's situation.

[Stepanenko] Could you talk about this in more detail?

[Kalyakin] First, we demand recognition of the following fact confirmed by life: Privatization reduces production efficiency. Even the most profitable and moneymaking enterprises (and it is mainly these that are being taken away from the state) are doing worse since privatization. Second, it cannot be fair: Any version of it harms a certain section of the population, particularly at a time when society is in the grip of crisis and inflation. At the same time we do also permit the existence of a nonstate sector made up of small enterprises which do not need the state to watch over them.

[Stepanenko] That is to say, you allow private ownership.

[Kalyakin] We concede it as a reality which emerged as a result of the retreat, more accurately, the defeat, not of socialism or the idea of socialism but of the specific model which we had achieved in the mid-eighties. A stratum of private owners has emerged in the economy. We are forced to take this reality on board.

To call for its immediate and complete elimination now would mean calling for civil war. We are proposing economic methods to tackle the problem in the light of the prevailing situation in society. Favoring the priority development of the socialist means of production, we intend to **put the different means of ownership on an equal footing**. The capitalist form enjoys privileged status today in terms of tax concessions and reduced social charges compared with state enterprises.

[Stepanenko] And, as already established, these concessions are not enjoyed by state-owned enterprises, nor are they enjoyed just for the first three years, as envisaged under the legislation.

[Kalyakin] Precisely so: After three years enterprises are reorganized and they continue to operate under preferential arrangements. Put on an equal footing, the socialist form of ownership and management will certainly prove more efficient. By stopping privatization, carrying out sensible deprivatization, and adjusting state regulation in the economy, we will halt the return to the past and the descent into the abyss. Incidentally, we insist on state regulation in other spheres of life too.

[Stepanenko] Where precisely?

[Kalyakin] The state must make vigorous use of administrative methods to stem the moral degeneration of society, particularly among the young. Today the state is taking no measures whatsoever to protect the up-and-coming generation or indeed citizens in general from the onslaught of dehumanizing mass propaganda.

Belarusian-language schools are being set up without consideration of the wishes of parents and children. The law on languages, adopted under pressure from national radicals, is flagrantly at odds with the republic's Constitution. Our program proposes a very wide variety of ways and means of counteracting the destructive trends in the spiritual domain. A special role is, of course, given to exposing the whole ideology of the bourgeois nationalists, headed by the Belarusian People's Front [BPF], which has rightly been dubbed the antipeople front.

The "democrats" try to present the Communists as the enemies of Belarus and its statehood and sovereignty. That is a lie. We advocate a sovereign, strong, and autonomous Belarus but within a Union of Republics. Since the collapse of the USSR Belarus has essentially lost its sovereignty and autonomy and has been faced with the threat of becoming wholly a colony, a mere appendage to developed states. Incidentally, the people who accuse the Communists themselves urge Belarus to join a Black Sea-Baltic alliance. And it is difficult to categorize them as champions of the national idea. These are in fact anti-Belarusian, antinational forces which pursue a policy in the interests of the leading Western powers and transnational monopolies. How brazenly they serve their Western masters can be seen even from the following fact: The slogans opposing rapprochement with Russia with which the national- democrats greeted the State Duma delegation were written in...English.

[Stepanenko] Sergey Ivanovich, the development of events in the republic today depends, as everyone understands, on the stance adopted by the president.

[Kalyakin] We take this into account. Relations with the president are being built and will continue to be built upon two postulates. We are ready to support, and do support Lukashenka in all steps aimed at increasing the people's well-being, combating corruption and the plundering of national assets, strengthening and enhancing the effectiveness of public and state forms of ownership, and tightening up order and discipline in all spheres. And, of course, steps aimed at bringing us closer to Russia and the other republics of the Union. And at the same time we oppose and will continue to oppose steps by the president which are not in keeping with the interests of the majority of the people. We cannot support those actions by Alyaksandr Lukashenka in the sphere of the economy made at the behest of and according to the prescriptions of the IMF, since they can only speed up (and are speeding up) the republic's descent into the abyss. To our great regret, an economic program drafted according to the prescriptions of the IMF, the national-radicals, and the pro-bourgeois forces headed by members of the BPF is now being carried out through the agency of the president. And therein lies perhaps the tragedy of Belarus. And the tragedy of Lukashenka himself. No matter how bitter it may be to acknowledge, the Communists have proved right in their warning, when they picked out and criticized one particular feature of his election manifesto. He stated that he would keep his promises, which were almost identical to those made in the manifesto of the candidate running for the Communists, but by completely different means—by deepening and broadening market reforms. While promising to lead the people away from the abyss he chose a path which leads to the descent into that very abyss.

Nevertheless, Communists still retain the hope that Lukashenka will heed our voice. And not just our voice. Another 18 parties and organizations have subscribed to the agreement signed by the left-wing forces. So the supporters of the socialist path of development will approach the Supreme Council elections as a united front.

Moldova

OSCE To Participate in Tiraspol-Chisinau Talks

AU2003180395 Chisinau BASAPRESS in English 1930 GMT 18 Mar 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 18/3/1995—The Organization on Security and Cooperation in Europe (OSCE) mission to Moldova intends to intensify its activity within the Joint Control Commission (CMC). BASA learned from Tiraspol that OSCE representatives met with the Dniester deputy speaker and CMC co-chairman on behalf of Dniester, Vladimir Bodnar. According to a communique by the Tiraspol Parliament press service, the OSCE representatives reiterated at the meeting their intention to become a full member of the CMC which currently comprises Moldova, Dniester and Russia. According to the communique, Bodnar said that the Dniester side will accept this proposal only if the Moldovan Dniester Republic will be granted the status of a permanent observer at the OSCE a Moldovan representative at the CMC told BASA that an agreement on collaboration between CMC and OSCE was signed in July, 1994. According to this agreement, the OSCE mission was granted the right to participate in the CMC sessions, to supervise the security zone and to have access to information on a peace keeping forces activity. According to the communique, the principles of this collaboration should be revised. It was expected that at the last CMC sessions the OSCE would submit new proposals; however, the OSCE central bodies in Vienna. Local observers said that lately Chisinau showed signs of uneasiness with regard to the OSCE mission's being passive and Tiraspol even criticized OSCE mission that, according to them, insistently promotes Moldova's reunification despite "Dniester people's desire to achieve independence which was expressed during the referendum."

Ukraine To Mediate in Ensuring Dniester Region Status Quo

AU2103113595 Kiev HOLOS UKRAYINY in Ukrainian 16 Mar 95 p 15

[Report by Svitlana Chala, HOLOS UKRAYINY correspondent, from Chisinau: "In the Mediator's Role"]

[FBIS Translated Text] **Ukraine will play a more active role in settling the Dniester Region conflict, Ukraine's Foreign Minister Hennadiy Udovenko has told a news conference in Chisinau. He was paying an official visit to Moldova.**

Local observers assessed the prospect of resolving the Dniester Region problem with the help of the Ukrainian side as one of the main results of the visit by the head of the Ukrainian external political department [to Moldova]. According to Nicolae Andronic, vice chairman of the Moldovan parliament, Ukraine's mission as a mediator was discussed by the Ukrainian and Moldovan presidents in Almaty during the conference of the CIS heads of state. Moldova, which has repeatedly stated that certain circles in Russian are interested in isolating the Dniester Region, wanted to have more active supporters. It sees such a supporter in Ukraine. Besides, during the visit to Moldova by Ukrainian Foreign Minister H. Udovenko, the two foreign ministers stressed that "a qualitatively new stage has started in the Moldovan-Ukrainian relations," and also noted the coincidence of views of the two states regarding participation in European structures and in the CIS. In the opinion of the heads of the external political departments, the commonwealth, as it is now, involves a danger of turning into Moscow's instrument for suppressing other participants. Of course, this does not suit either Chisinau or Kiev.

Regarding the Dniester Region, representatives of the region's administration met in Chisinau with the Ukrainian minister and also expressed a desire to have Ukraine participate, alongside Russia and the Organization for Security and Cooperation in Europe [OSCE] in the negotiations on the status of the region. A rare unanimity between the center and protectorate. However, there is an explanation. Following the events in Chechnya, the Dniester Region has repeatedly expressed concern that this variant may be applied to the Moldovan eastern region. As Grigore Maracuta, chairman of the Dniester Region Supreme Council said, if, in addition to Russia, Ukraine and the OSCE also assume the role of guarantors in talks with Chisinau, in the event an attempt should be made to change the situation there by force, Moldova will not be able to declare, as Russia did, that it is its internal affair. It will go beyond the narrow-state framework.

It is still not clear what specific forms Ukraine's mediation activity will take. Whether these will be blue berets in the security zone along the Dniester River presently controlled by the peacekeeping forces of Russia, Moldova, and the Dniester Region. Or probably military observers. In any case, as the Moldovan and Ukrainian foreign ministers maintain, it is up to experts to decide. However, the very fact of Ukraine's participation in settling the Dniester Region conflict has now become obvious. H. Udovenko pointed out that, first, Ukraine is interested in resolving as quickly as possible the conflict situation that has arisen in the vicinity of its border. Its greater role in this is urged in Ukraine itself. In particular, by deputies of its Supreme Council.

Zhirinovskiy Says Dniester 'Part of Russia'

AU2003180595 Chisinau BASAPRESS in English 1930 GMT 18 Mar 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 18/3/1995—"Dniester is part of Russia; therefore, no one can insist on Russian troops withdrawal from there or lay territorial claims on this region," Vladimir Zhirinovskiy, Russian Liberal Democratic Party leader, told the Chisinau newspaper PATRIA TANARA. Asked about the way in which he intends "to revive Russia," Zhirinovskiy mentioned that "we will proceed to liquidate all (former Soviet) republics in the nearest 2-3 years." He said "Belarus is already returning to us, the northern part of Kazakhstan will be ours. Gradually, we will have Ukraine as well as the biggest share of Moldova together with Dniester. The Baltic states will disappear by themselves, because we will disrupt all economic ties..." Zhirinovskiy said that he opposes Russia's entering the Council of Europe since "this is a pointless organization," set up by "the masons' lodges to form a world government as here in Europe, to organize endless lavish diners, while Eastern Europe and all Siberia work for them." Zhirinovskiy has a negative attitude toward Lebed [commander of the 14th Russian Army deployed in Dniester], who is a potential candidate for Russian presidency, adding that he is "the democrats' protege."

Dniester Phone Service Restricted for 'Political Reasons'

LD2003221395 Moscow ITAR-TASS World Service in Russian 1705 GMT 20 Mar 95

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[FBIS Translated Text] Chisinau, 20 Mar—Today the Moldovan Ministry of Communications reduced to a minimum the interurban telephone service for the Dniester region because of the latter's large debt. ITAR-TASS was informed of this today by Valeriy Yefimets, head of the communications directorate of the Dniester region. He stressed that the non-payment problem had arisen because Chisinau did not recognize coupons, a currency that the Dniester region authorities had introduced, and refused to accept payment in this currency. Observers in the Dniester region believe that Chisinau has taken this step for political reasons—the Dniester region authorities intend to hold a referendum this week on the withdrawal of the 14th Russian Army stationed here.

Lebed Confirms Withdrawal of Military Hardware

AU2103085095 Chisinau INFOTAG in English 1730 GMT 20 Mar 95

[FBIS Transcribed Text] Chisinau INFOTAG, 20/3/1995—Lieutenant General Aleksandr Lebed [commander of the Russian 14th Army] has confirmed the fact of removal from Rabnita of two railway trains worth of military materiel 10 days ago, in accordance with previous accords.

"There is no secrecy about it. The removal was undertaken in conformity with the tripartite agreement signed by Russia, Moldova and Dniester. This was extra, excessive machinery and equipment suffering shortage of specialists to run and repair. Its quantity was about 9 times greater than envisaged by technical norms for the currently available contingent of servicemen. Due to that fact, too, our brigades were transformed into battalions."

He named as "rubbish" some publications about withdrawal of personnel. "Nobody is speaking about removing people yet," he stressed.

According to the above agreement, a total of 21 trains worth of equipment has to be evacuated from Rabnita. However, the process has been suspended on the Ukraine's request, because the transit had not been agreed upon with Kiev beforehand.

Legislative, Executive Powers Disagree in Dniester

AU2003180495 Chisinau BASAPRESS in English 1930 GMT 18 Mar 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 18/3/1995—On the eve of local elections the confrontation between district and city executive committees and the bodies of legislative power is taking place in Dniester. Tighina sources told BASA that recently a penal case was started against Vladimir Kharchenko, vice executive of the Tighina (Bender) City Soviet. Kharchenko is being charged with failing to reimburse substantial loans made in hard currencies and stealing of about 90 metric tons of gasoline. The case was started at the initiative of the Tighina state administration. Toma Zenovich, city administration head, told the local newspaper NOVOYE VREMYA (NEW TIMES) that all these facts are only the visible part of the iceberg. Recently, the Dniester Defenders' Union, Women's League and other Dniester organizations protested against awarding Bender ex-mayor, Vyacheslav Kogut, the "Order of Republic." Kogut is accused by the protesters to have collaborated with Chisinau. Local observers deem that a confrontation of the same degree is taking place between the state administration and Dubasari District Soviet.

Students Organize Anti-Government, Pro-Romanian Rally

AU2103084995 Chisinau INFOTAG in English 1730 GMT 20 Mar 95

[FBIS Transcribed Text] Chisinau INFOTAG, 20/3/1995—Some 5,000 students gathered at the Chisinau's main square today to take part in a unsanctioned rally opposite the Government Building. The participants put forward political and social demands.

The action began at the Chisinau University, when students of the History and Philology Faculties protested against having such disciplines as "The History of Moldova" and "The Moldovan Language," being non-scientific subjects, in their belief. Then, a column of students, joined by their colleagues from other faculties and other educational establishments, headed for the main square.

The students, whose number was growing fastly, burned textbooks "The History of the Moldovan SSR," waved Romanian tricolors, and shouted both political and social slogans: "Down with Agrarian Democrats!"; "Down with Education Minister Gaugas!"; "Down with Senik!" (chairman of the parliamentary Education Committee); "We are Romanians!"; "Higher stipends!"; "Students and peasants—we are all beggars!"; and "Peasants and workers, join the students!".

Russia To Receive Shares in Lieu of Debt Repayment

AU2003185495 Chisinau BASAPRESS in English 1930 GMT 18 Mar 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 18/3/1995—The large Russian gas company Gazprom will become co-owner of several major enterprises of Moldova. The Chisinau government decided to transfer shares to the Russian gas company, relayed sources from the Economics Ministry. According to the protocol on repayment of Moldova's debts to Russian gas suppliers for 1993-1994, the Russian company will become co-owner of the Rezina cement plant which has an annual output of 1.2 million of metric tons. Russian gas suppliers will have a stake of 15 million lei ($3.5 million) in the joint venture that will be created in 1995. Earlier, the Italian firm "Ading-Swissital" estimated the plant's assets at $100 million, and the U.S. firm "Neftegaz International" at $15.7 million. As of January 1, 1995 Moldova had arrears of about $224 million to Russia for gas supply. The government will also concede a stake in the Moldovan Power Station which provides 80 percent of all Moldova's electricity. In December 1994, the Moldovan Parliament supported government's proposal to create the Moldovan-Russian joint venture "Gazsnabtranzit" and transfer 51 percent of the Moldovan gas-pipes and equipment as repayment for debts. Thus, the Moldovan Government hopes to repay all its debts by October-November 1995 and enjoy a preferential regime of gas imports. In August 1994, Chisinau media relayed that Moldova pledged 70 percent of its shares in the wineries situated in. Russia as security for the 70 million ruble credit offered by Russia. It also pledged 30 percent of the shares in the "Alfa" TV sets plant and other major enterprises of the former industrial-military complex, such as Mezon, Topaz, Signal, Schetmash, Raut, Intrascop. Chisinau officials attempted to deny this information, pointing out that Moldova is capable of servicing its debts to Gazprom. Local experts gauge that if gas suppliers buy the control stake in the cement plant and Moldovan Power Station, as it happened to a plant in Donetsk, Gazprm will become a monopoly not only in gas supplies to Moldova, but also in production of cement and energy.

Kazakhstan

Cooperation Discussed With Pakistan at ECO Summit

LD2103093095 Almaty Kazakh Radio First Program Network in Russian 1500 GMT 20 Mar 95

[FBIS Translated Text] At the end of the third summit of the leaders of member states of the Economic Cooperation Organization [ECO] held in Islamabad, First Deputy Prime Minister Nyghmetzhan Yesengharin, the head of the Kazakh delegation, was received by the Pakistani Prime Minister Benazir Bhutto.

The sides stressed the necessity of achieving peace and tranquillity in the ECO region, in particular in Afghanistan. As was noted by Benazir Bhutto, Pakistan is looking for ways to cooperate with Russia and hopes that Kazakhstan will help in this.

Attention was paid to Pakistan's symbolic allocation of a $60 million credit during the third ECO meeting for the construction of a cement plant in Shymkent. The sides positively estimated the conclusion of the agreement on transit transport between Kazakhstan, Pakistan, Kyrgyzstan, and China, which allows cargoes to be transported in various directions and has a beneficial impact on the development of cooperation in the region.

At the meeting there was an exchange of opinions on the ways of developing bilateral cooperation. Some practical issues were considered, in particular the supply of grain, fertilizers, ferrous and non-ferrous metals from Kazakhstan to Pakistan, and of consumer goods and equipment and technology for enterprises processing agricultural products from Pakistan.

At the invitation of the President of Iran 'Ali Akbar Hashemi-Rafsanjani, the Kazakh delegation took part in the opening of the Baft-Bandar Abbas railway, which connects the center of the country with the southern part of it. In future it is planned to connect some railway sections in Iran, Turkmenistan, and Kazakhstan, which will allow our republic to use the shortest way to get to Iran's biggest port of Bandar Abbas on the coast of the Persian Gulf.

UK, Austrian Firms Implicated in 'Major Violation'

LD2103101595 Almaty Kazakh Radio Network in Kazakh 0700 GMT 21 Mar 95

[FBIS Translated Text] A major criminal violation of financial laws has been uncovered in Almaty. The firms (Algir) and (IBI) of the United Kingdom, as well as some Austrian firms and firms from CIS countries, have taken part in this criminal action.

The Kazakh national security committee and the republican prosecutor general's office have arrested the leaders and accomplices of these firms. Unfortunately there is an official among them from the National Bank of the Republic of Kazakhstan.

A few hours ago, a news conference on this criminal incident was held. Prosecutor General Zharmakhan Tuyakbayev, National Security Committee Chairman (Sadip Tokpakbayev), and National Bank Chairman Daulet Sembayev took part in it and answered questions from journalists.

Edict on Committee on Foreign Capital Use

954F1802A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 16 Mar 95 p 1

[Edict of the president: "On Formation of a Committee on the Utilization of Foreign Capital Under the Cabinet of Ministers of the Republic of Kazakhstan"]

[FBIS Translated Text] For purposes of reinforcing state regulation, coordination, and control in the area of the attraction and utilization of foreign capital in the Republic of Kazakhstan,

I decree:

1. On the basis of the defunct National Agency on Foreign Investments of the Ministry of Economics of the Republic of Kazakhstan, the Committee on the Utilization of Foreign Capital shall be formed under the Cabinet of Ministers of the Republic of Kazakhstan.

2. It shall be established that the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan shall be a central organ of executive power responsible for the development and implementation of state policy in the area of attraction and utilization of foreign investments, loans, and technical and financial aid.

3. The Cabinet of Ministers of the Republic of Kazakhstan shall resolve problems of determining the succession of the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan with respect to international obligations arising from agreements on technical and financial aid signed on behalf of and on instructions from the government of the Republic of Kazakhstan.

4. The main tasks of the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan shall be defined as:

determination of priority areas of the utilization of foreign capital in the Republic of Kazakhstan (at the suggestion of the Ministry of Economics of the Republic of Kazakhstan);

development of proposals concerning volumes (current and future) of attraction of foreign capital, limits on foreign indebtedness, and limits on guarantees of the Republic of Kazakhstan (according to proposals of the

Ministry of Economics and the Ministry of Finance of the Republic of Kazakhstan);

organization and performance of work for attracting foreign capital to the Republic of Kazakhstan;

coordination and interaction of central and local organs of executive power and economic entities of the Republic of Kazakhstan and state regulation of their activity in the sphere of attraction of foreign capital;

analysis and implementation of measures for increasing the effectiveness of the utilization of foreign capital.

5. The Cabinet of Ministers of the Republic of Kazakhstan shall within a month's time:

ratify the statute on the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan;

resolve problems regarding the number of members and financial and material and technical support for the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan;

6. The State Committee of the Republic of Kazakhstan for Management of State Property within a month's time shall assign premises in the city of Almaty for housing the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan.

7. The following additions and changes shall be made to the Edict of the president of the Republic of Kazakhstan of 19 January 1995, No. 2035, "On Measures for Improving the Effectiveness of State Management and Regulation of Processes of Attracting Foreign Capital to the Economy of the Republic of Kazakhstan":

The second paragraph of Subpoint "A" of Point 1 shall be worded as follows:

"—the Committee on the Utilization of Foreign Capital under the Cabinet of Ministers of the Republic of Kazakhstan—in the area of foreign investments, loans, and technical and financial aid";

the words "foreign financial aid" shall be removed from the third paragraph of Subpoint "A" of Point 1;

in the second sentence of Subpoint "B" of Point 1 before the words "National Bank of the Republic of Kazakhstan" the words "in certain cases with the consent of the Cabinet of Ministers of the Republic of Kazakhstan" shall be added.

8. The present Edict shall go into force on the day of its promulgation.

[Signed] President of the Republic of Kazakhstan N. Nazarbayev
Almaty, 15 March 1995

Zhangiz-Tobe ICBM Base Closure Viewed

MM2003112195 Moscow KRASNAYA ZVEZDA in Russian 17 Mar 95 p 2

[Report by Colonel Anatoliy Ladin: "Missiles Change Place of Registration; But People's Fates Just As Closely Linked with Them"]

[FBIS Translated Text] With Colonel Valeriy Polnikov, chief engineer of the ICBM base in Zhangiz-Tobe, I am driving to the missile regiment under the command of Lieutenant Colonel Aleksandr Dobrovolskiy. Following three of the base's regiments which have already been disbanded it is now this regiment's turn to be wound down. The missiles with all their powerful nuclear materiel are being sent to Russia on special platforms and cars.

People are also leaving the remote steppe garrison where 30 years ago the first pegs were driven into the foundations for apartment blocks and administrative buildings and extensive work began in an atmosphere of the strictest secrecy to construct underground silos for ICBM's. The forthcoming farewell is giving rise to complex feelings among the missile troops. Valeriy Polnikov and his wife Yelena have been living in the steppe backwoods for 17 years. Their elder daughter Lena, who cam here at the age of nine months, is now a bridge. Their second daughter is also quite grown up. And how many young lieutenants, ensigns, and servicemen on extended service began their family lives in Solnechnyy, as Zhangiz-Tobe is also called. Division Commander Lieutenant Colonel Sergey Revenko and his wife have a son, Yuriy, who grew up here and is now a cadet at the higher military school....

Nearly a year ago preparation began in Zhangiz-Tobe to implement the Treaty on the reduction and limitation of strategic offensive weapons (START I) sand toward summer work began to remove from alert duty and dismantle the ICBM's known in our country as the RS-20 missiles and in the United States as SS-18 missiles, also as "Satana."

From the documents relating to the START I Treaty:

The RS-20 ICBM. Number of stages—two. Total length of missile assembled with the launch canister and warhead section—35.7 (38.9) meters depending on type. Diameter of launch canister body (without protrusions)—3.5 meters. Type of fuel—liquid. Throw-weight—8,800 kg. Number of warheads on one missile—10.

For comparison: The most powerful U.S. ICBM of the MX type, which also has 10 nuclear warheads, has a throw weight of only 3,950 kg.

The Russian side embarked on the implementation of the START I Treaty signed between the USSR and the United States 31 July 1991 in Moscow long before that document entered into force. When it became known that on 5 December 1994 the START I Treaty had finally entered into force, at the Zhangiz-Tobe missile base they were honoring the best specialists who had distinguished themselves dismantling the RS-20 missiles. And not long before 5 December another consignment of nuclear warheads was dispatched to Russian territory from Zhangiz-Tobe observing all safety measures. The missile base specialists successfully coped with the entire package of operations to disconnect and dismantle the warheads and drain the missile fuel components. The dismantled items and fuel have also been removed to Russia.

The start of the implementation of the START I Treaty even before it came into force made it possible to gain time. What for? As we know in seven years' time Russia and the United States should reach specific overall levels for strategic offensive arms. It is possible that with time the saving of funds through the early disbanding of several missile units will be calculated. The cadres organs have received more time to place officers and ensigns from the disbanded subunits. Over 40 percent of ICBM's and the warheads assigned to them have already been removed to Russian territory.

Last year by re-allocating the housing stock the leadership of the Strategic Missile Troops provided about 100 apartments to the base's officers and ensigns, for those to be discharged in the very near future. At the tensest time when the utmost self-discipline and supreme responsibility is required from everyone, people have begun to acquire apartments in various Russian cities. Calm has come to the families and the officers want to go to serve. I was told this by Lieutenant Colonel Sergey Revenko—has received a two-room apartment in Yoshkar-Ola. Senior Ensign Gennadiy Andreyev, a technician in combat backup crew, is pleased with his apartment in Kovrov. He is one of those who saw with his own eyes the start of the construction of the Zhangiz-Tobe missile base in 1964.

The Strategic Missile Forces commander in chief is concerned not only for the fate of the officers and ensigns serving at the base but also for the fate of the workers and employees employed in various posts and the reserve servicemen who used to serve at the base and now live in the township—there are 125 of these families. When the last Russian servicemen leaves the military township on the steppe, what will happen to these families? Will the township soon acquire new Kazakh owners? Will all those now working in various municipal establishments manage to keep their jobs? Will the new administration have the strength to maintain this facility?

I did not in fact manage to establish how the Russian and Kazakh sides agreed to carry out the "acceptance and transfer" of real estate and property which will become Kazakhstan's property. If the acceptance of housing is carried out as it is vacated then the four five-floor buildings which are now empty and which have been thoroughly plundered should be accepted by the Kazakh side and guarded. But that is not happening. So anyone who wants to can set up house in the five-story buildings.

...At the command post of the regiment under the command of Lieutenant Colonel Aleksandr Dobrovolskiy there is an atmosphere of tense combat alert. The regiment commander is on duty shift. Work is proceeding according to the former combat regime. And that is the case wherever the ICBM's remain in the silos. Missiles are changing their place of registration but alert duty continues. And the planet-wide tasks stemming from the START I Treaty will undoubtedly be fully resolved with the accuracy and commitment inherent in the missile troops.

Further Government Appointments Announced

LD2103091695 Almaty Kazakhstan Television Network in Russian 1500 GMT 20 Mar 95

[FBIS Translated Text] By edict of the President of Kazakhstan, the following have been appointed members of the government in the indicated posts:

Amalbek Qozybaquly Tyshanov—minister of residential and industrial construction.

Serik Qarabatyruly Alighozhanov—minister of transport and communications.

Petr Vladimirovich Svoik—chairman of the State Committee for Antimonopoly and Price Policy.

Court Decree, Illegal Elections Examined

954F1759A Almaty EKSPRESS-K in Russian 14 Mar 95 p 2

[Article by Nail Ishmukhametov: "Spring. Perestroyka. 10 Years Later"]

[FBIS Translated Text] *The 10-year "anniversary" of Gorbachev's restructuring of society was marked by another large turning point in the destiny of the Fatherland. The country's parliament, elected exactly a year ago, has been declared illegitimate, unconstitutional, and, simply put, illegal.*

The chronicle of events of recent days reads like this. On 6 March the Constitutional Court (KS) finally adopted a decision on the case of the former candidate deputy to the Supreme Council (VS) T. Kvyatkovskoy, by which it deemed that a number of decisions of the Central Election Commission regarding questions of organizing the parliamentary elections on 7 March of last year were not in compliance with the republic constitution. In so doing it cast doubt upon the results of the past elections and the legitimacy of the authority of the Supreme Council. Taking into account the probability of a parliamentary crisis, as the country's president put it in his Saturday statement, on 8 March of this year the head of state, in compliance with Article 31 of the Constitution, introduced an objection to the Constitutional Court's decree. On 9 March a similar objection was introduced by the chairman of parliament, A. Kekilbayev, as well. On 10 March the Supreme Council rejected both objections and its decision on the illegality of last year's elections to parliament took effect at the time of its adoption, that is, as the president said, the decree of the Supreme Council of 6 March took effect at that time. In this connection, on 11 March the president, as the guarantor of compliance with the constitution, sent an inquiry to the Constitutional Court concerning the legal consequences of the Constitutional Court's 6 March decree.

Does this decree of the Constitutional Court confirm the unconstitutionality of the elections to the Supreme Council held on 7 March of last year and also the unconstitutionality of the authority of the deputies elected to the Supreme Council? If the authority of the Supreme Council deputies is unconstitutional, who has the right to make decisions of a legislative nature? Does the Constitutional Court decision mean that the republic law on temporary delegation of additional authority to the president of the republic and the heads of local administrations, adopted on 10 December 1993, remains in force?

The Constitutional Court in its supplementary ruling, having considered the president's inquiry, provided the necessary clarifications, from which it follows that the authority of all Supreme Council deputies is unconstitutional.

Thus the fact of the unconstitutionality of the Supreme Council received final legal confirmation, as N. Nazarbayev summed it up.

The president gave assurances of his strict position of compliance with the Constitution.

The president adopted a number of decisions in connection with these events. A state commission headed by Vice President Ye. Asanbayev was created for employment of deputies, protection of the Supreme Council's property, and other issues.

The government, now confirmed, as it turned out, to be an illegal parliament, all resigned. The resignation was accepted by the president. Since the law on temporary delegation of additional authority to the president and administration heads remains in effect, with an edict the president appointed A. Kazhegeldin to be prime minister and instructed him to make proposals to the new government throughout the week. The president confirmed the deputy prime ministers and the key ministers—of the Ministry of Internal Affairs, Ministry of Defense, Ministry of Foreign Affairs, and Ministry of Finance (as EKSPRESS-K learned, all of them remained in their former positions).

In addition to its other tasks, the new government will have to review the decisions made by the previous Cabinet of Ministers and give them legal force. The president will have to do the same thing, but with respect to the laws adopted by the disbanded parliament, which will be ratified by his edicts.

The judges, who were previously elected by parliament, will again be appointed by the president.

The president drew attention to the fact that since the end of last year parliament and the executive branch had been working constructively: The Supreme Council had approved the market budget and on 15 March the president had intended to deliver a report to parliament on problems of fighting crime. Therefore N. Nazarbayev regrets what has happened—that was how he summed it up.

If one is to answer the eternal questions of history—who is to blame and what to do—the answers seem to be simple: The Central Election Commission is to blame (which state adviser K. Suleymenov stated outright) and a great deal of work lies ahead: It is necessary to immediately approve the market laws and—whatever happens—elect a new parliament (which is clear from the news conference of the head of state late in the evening last Saturday).

To put it briefly, what the Central Election Commission is to blame for, as determined by the Constitutional Court, is that, in the first place, it "cut up" the electoral districts incorrectly, as a result of which different numbers of voters ended up in different districts (from 12,000 to 90,000), which led to unequal conditions for the candidates' campaigns for deputy mandates, and inequality is a direct violation of constitutional norms; and, in the second place, for counting votes it used incorrect methods developed and proposed by the Central Election Commission to all district commissions, whereby it violated the principle "one voter, one vote." Consequently, the deputies unwittingly became hostages, as it were, of not altogether correct decisions of the Central Election Commission.

If we return to that Saturday when the special and last session of the Supreme Council was held regarding the decisions adopted by the Constitutional Court, the deputies' reaction to these decisions looked like agony. Before this, speaking in favor of a moratorium on changing the Constitution, after the publication of the conclusions of the Constitutional Court the parliament in one day made changes to the Constitution, rewriting Article 131, which in the "old version" proclaimed the primacy of decisions of the Constitutional Court, which were not subject to appeal, and, on this basis, suspended the activity of the Constitutional Court itself.

The position of ex-deputy V. Chernyshov is logically (not emotionally!) incomprehensible. A year ago at the first sessions of the new parliament he was in favor of declaring the new elections unconstitutional, but today he has declared a hunger strike as a sign of protest. One might object: At that time he was questioning mainly the imperfection of the Election Code and hence the elections. But, excuse me, is this not six of one and a half dozen of the other? The more so since from a formal standpoint the president's actions, at least hot on the heels of the event, are practically irreproachable.

There is or, rather, there was, in our view, one hitch: Why were the findings regarding the T. Kvyatkovskoy case, which went to the Constitutional Court right after the last Supreme Council elections, not handed down until a year later? This is how this "special case" is explained by the Constitutional Court itself in its official "Ruling...": "There were valid reasons for fact that the Constitutional Court took more than the six-month period for preparing and examining the case to which the chairman of the Supreme Council refers: As a result of objective circumstances the case was suspended for a period of more than six months. Moreover, the plaintiff repeatedly expanded his claims, the last of which was not declared until 15 February 1995."

Responding to journalists' questions after the text of this statement was made public, the president, referring to the admission of the Constitutional Court, noted that the forthcoming elections would be neither early nor repeat elections (and these are the only ones stipulated in the Election Code, and holding them is limited to two to three months). These will be special elections, for which there is no provision in the Election Code. "Therefore we will be thinking," the president summed up.

The president refuted the attempt to accuse him of dictatorship. The state has a Constitution and laws which will be obeyed. At least the president kept his word.

P.S.

Yesterday afternoon President N. Nazarbayev met with representatives of the mass media. Having answered in detail all the journalists' questions, N. Nazarbayev confirmed that the course he had taken toward market reforms and democratization would remain unchanged.

K. Suleymenov on Crime Rate, Code Change

954F1799A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 16 Mar 95 p 1

[KAZTAG report: "K. Suleymenov: The Determined Fight Against Crime Will Continue Until the Crime Situation Takes a Turn For the Better"]

[FBIS Translated Text] Effective the evening of 13 March in the capital and 14 March in all oblasts of the republic, by a directive of President Nursultan Nazarbayev, the operational-preventive measure "Law and Order" will be continued. This large-scale work, in which large forces of the Ministry of Internal Affairs, the army, internal forces, and the Republic Guard with a total of about 45,000 people have been enlisted, on instructions from the head of state, is being coordinated by state adviser Kairbek Suleymenov.

In a conversation with a KAZTAG correspondent he said that the crime situation required that law enforcement organs begin a determined fight against this social evil, which has become perhaps the main obstacle to conducting economic and social reforms in the republic.

During the past three years, in K. Suleymenov's words, more than 200,000 crimes have been committed here. And an ever increasing percentage of them are serious. The proportion of crimes that are solved does not exceed 60 percent. A similar situation has developed this year.

The first mass attack on crime produced appreciable results, the state adviser noted. Since the beginning of the operation at 0830 on 15 March more than 140 previously committed crimes have been solved, about 700 suspects have been arrested, and more than 100 are on the wanted list. More than 3,500 violators of passport rules have been discovered and 181 individuals have been expelled from the republic for violation of the rules for residing on its territory.

K. Suleymenov also cited these figures. They confiscated 345 units of fire arms from individuals who were keeping them illegally and also more than 70 kilograms of narcotics. An armed criminal group including citizens of Kazakhstan and Uzbekistan was arrested during an attempt to sell drugs in Almaty. Another criminal group consisting of four people, from whom weapons and 60 kilograms of marijuana were confiscated, was put out of commission in the village of Zarechnyy in Almaty Oblast.

Unfortunately, K. Suleymenov stated, during the course of the measure frequently cases were confirmed in which workers of law enforcement organs were involved in the crimes. Specifically, in the city of Ust-Kamenogorsk Ministry of Internal Affairs workers on the premises of the procuracy caught a procuracy worker and a people's judge red-handed taking $1,800 from a defendant in payment for helping arrange for a verdict that did not entail incarceration.

The state adviser emphasized with satisfaction that during the past day and a half there had been a sharp increase in the percentage of crimes that were solved. Such practical work will be continued until there is a turn for the better in the crime situation.

As concerns legislatively stepping up the fight against crime, K. Suleymenov said that specialists are preparing proposals for making radical changes to the Criminal Code. In the next few days they will be submitted for the consideration of the republic president. There is confidence that he, taking advantage of his constitutional right to promulgate laws in the absence of a parliament in the republic, will not fail to take advantage of this right without delay. All honest citizens of the republic are demanding this and this is demanded by the extremely serious crime situation.

Kyrgyzstan

Akayev Decrees Parliament's First Sitting 28 Mar

LD2003130695 Moscow INTERFAX in English 1151 GMT 20 Mar 95

[FBIS Transcribed Text] Bishkek, Mar 20 (Interfax)—Kyrgyz President Askar Akayev has issued a decree setting the date of the new parliament's first sitting for March 28.

This was reported to journalists Monday [20 March] by the president's press secretary Kamil Bayalinov.

Earlier, a spokesman for the Central Electoral Commission announced that 74 deputies had been elected: 22 to the Legislative Assembly (35 seats) and 54 to the House of Representatives (70 seats). The first round of elections took place on February 5, the second on February 19.

Six electoral districts will hold new elections on April 29, the nomination of new candidates ended Monday.

The previous parliament ceased to exist after 168 out of its 323 members refused to attend last September. This in turn resulted in the resignation of the cabinet, under Kyrgyz legislation the government's term in power is limited by the term of the parliament that approves its composition. Nonetheless, President Akayev instructed the Abbas Dzhumagulov government to continue performing its duties until the new cabinet is formed.

European Strategic Plan for Agriculture Approved

LD2003172595 Bishkek Kyrgyz Radio First Program Network in Russian 1000 GMT 20 Mar 95

[FBIS Translated Text] A presentation of the strategic plan for the development of agriculture in Kyrgyzstan was held in Bishkek after being approved by the republic's government. It was worked out by experts from the European Economic Commission. They studied the country's agrarian sector directly on location for over a year [word indistinct]. The draft document was submitted to the government for consideration. Now the key directions of activity of the Ministry for Agriculture and Foodstuffs and the farmers themselves will be determined by this strategic plan. Its research development has much more objectivity and deeper analysis than work by scholars of our own country.

The acting minister of agriculture and foodstuffs, Bekbolot Talgarbekov, took part in the presentation.

Transport Minister on Road Links With PRC, Pakistan

LD2103095295 Bishkek Kyrgyz Radio First Program Network in Russian 1400 GMT 20 Mar 95

[FBIS Translated Text] A news conference for journalists on the results of a Kyrgyz delegation's official visit to Pakistan and the Islamic Republic of Iran was held today. Transport Minister Sadykbek Aldesov addressed the news conference.

[Begin Aldesov recording] In this region, we have been working with these states [words indistinct]. In this respect we have concluded bilateral agreements with Pakistan, Turkey, and China. Of course, bilateral agreements between Kyrgyzstan and the CIS countries, with each of the CIS countries, have also been signed.

After signing bilateral agreements, the question arose of concluding a quadripartite agreement. The quadripartite agreement—on road transit communication—was signed in Islamabad on 9 March by Kazakhstan, Kyrgyzstan, China, and Pakistan.

This road passes through our country in two directions. First, Bishkek-Naryn-Turugart, the Turugart pass, then into China. Then there is the road to the border with Pakistan, the Karakoram highway or the Khunjerab, as they call it; from Khunjerab it goes to the city of Islamabad. One can go straight from Islamabad to Karachi, and as that is a port it gives access to the ocean. If we turn toward India it takes us to Delhi.

Thus, we can now say that the road from Bishkek to Islamabad via Turugart stretches 1,900 kilometers, and to Karachi 3,300 kilometers, or rather 3,500 kilometers. It will be 2,550 kilometers to Delhi from our country, if we go from Bishkek via Turugart.

We have two [word indistinct]. Now we have a road from Osh-Sary-Tash-Irkeshtam to Kashi on the Chinese side. The Osh-Sary-Tash-Irkeshtam road to the Chinese border already exists; that road is being reconstructed. There was no road on the Chinese side, but one is now being built. The Chinese are paying our builders [words indistinct]. Our builders are also taking part. This road is also being completed. Then we will access this international highway from our republic this way: from Bishkek via Turugart and from Osh via Sary-Tash. From Osh, of course, it will be 200 kilometers closer than from Bishkek to Islamabad.

Thus, we agreed that each country will present all the permit documents—as well as the agreement itself there are very many procedural and legislative acts and documents to sign—by 15 April in Islamabad. The Pakistanis took the initiative of collecting the documents and meeting the delegations. All these documents will be signed around the end of May, and we will officially open the highway at the start of the second half of the year, in July. It will then be open for both goods and passengers. [end recording]

Tajikistan

Rakhmanov Greets Citizens in New Year Message

LD2003141795 Moscow ITAR-TASS in English 1301 GMT 20 Mar 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Transcribed Text] Dushanbe March 20 TASS—President of Tajikistan Emomali Rakhmanov greeted fellow citizens on the eve of the Navruz, the Moslem new year marked by the Moslems on March 21, the day of the vernal equinox.

A message, made public here today, emphasised that the past year had brought many changes for the betterment in the republic's life. The people's dream of establishing peace and tranquility in the republic became a reality. A major part of compatriots, who found themselves in foreign lands as a result of the fratricial war, has returned home, the message noted.

March 21 and 22 have been declared non-working days in the republic.

Business Congress Urges CIS Economic Union

LD2003152795 Moscow ITAR-TASS in English 1407 GMT 20 Mar 95

[FBIS Transcribed Text] Dushanbe March 20 KHOVAR-TASS—Participants in the first congress of Tajikistan's businessmen, which ended here on Sunday [19 March], called for accelerating implementation of integration programmes within the CIS boundaries and for building an economic union of CIS countries.

In their appeal to the heads of state, prime ministers and parliaments, as well as to all business people and their associations in the CIS member-countries, they underlined that the new political situation holds out a hope for equitable and comprehensive cooperation between Tajikistan and her potential partners at any level.

The development of integrational links with the Russian Federation remains one of Tajikistan's priorities, according to Prime Minister Dzhamshed Karimov.

Karimov praised Russia's provision in 1994 of 180 billion roubles in a long-term loan to Tajikistan. Under an agreement on deepening of integrational ties signed in Moscow recently, Tajikistan will export most of its cotton to Moscow, he added.

Confrontations Continue on Afghan Border

LD2103100195 Moscow ITAR-TASS in English 0851 GMT 21 Mar 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Transcribed Text] Dushanbe March 21 TASS—Russian frontier guards blocked on Monday [20 March] night the attempts of armed Tajik mujahideens to cross the Tajik-Afghan border and penetrate into Tajikistan. At 19.30, local time, frontier guards of the Pynadzh frontier guard detachment detected a large group of armed men—members of the Islamic Movement for the Revival of Tajikistan, who crossed the Pyandzh and landed on the Tajik bank, a spokesman for the press group of Russian frontier guard troops in Tajikistan told ITAR-TASS. They opened fire at the trespassers. According to preliminary information, the mujahideens lost 35 men.

A group of trespassers, who were penetrating into Tajikistan under the cover of strong artillery fire at the Pamir section, defended by the Kozidekh frontier guard post of the Ishkashim frontier guard detachment, was detected at 20.30, local time. The frontier guards opened fire and destroyed the crossing, along with suppressing enemy positions on the opposite bank. A group of U.N. military observers, who are monitoring in Tajikistan the fulfilment of the Tehran ceasefire agreements, were informed of all the facts of the violation of the Tajik-Afghan border.

Commenting on the situation at the Tajik-Afghan border, the spokesman for the press group stressed that the intensity of armed provocations on the border increased, as spring came, the way it was forecast by the command of the Russian frontier guard troops.

Uzbekistan Resumes Natural Gas Supplies

LD2003101095 Moscow ITAR-TASS in English 0916 GMT 20 Mar 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Transcribed Text] Dushanbe March 20 TASS—Uzbekistan on Monday [20 March] morning resumed deliveries of natural gas to Tajikistan after a five-day break. But since the supplies now amount to a mere 15 percent of the contract volume, it will barely suffice to provide homes with just enough gas to meet household needs, sources in the Tajik government told ITAR-TASS today.

Uzbekistan said it would increase the delivery after its Central Bank confirms receipt of three million dollars owed by Tajikistan for March.

A high government official said Uzbekistan had cut off deliveries of natural gas to Tajikistan on March 15 when that republic's debt exceeded 140 million U.S. dollars.

The Tajik official said the move had dealt a heavy blow to his republic's economy, whose industry was practically fully paralysed, as well as to homes. He said it was wrong to take the step without first notifying the Tajik Government.

Commenting on the situation, Tajikistan's Vice-Premier Kholis Temurdzhanov said his government had worked out a programme to enable Tajikistan to repay all its debts to Uzbek natural gas suppliers within two years.

Turkmenistan

President Meets With Regional Leaders

LD2103094795 Ashgabat TURKMEN PRESS in Russian 1503 GMT 20 Mar 95

[By K. Balliyev]

[FBIS Translated Text] Ashgabat, 20 Mar (TURKMEN PRESS)—Today [20 March] President Saparmurad Turkmenbashy [Niyazov] of Turkmenistan held a meeting with the heads of regional administrations. The head of state asked them to convey to the people of the regions his hearty congratulations and wishes for good health, unity, and well-being on the occasion of Navruz [new year].

Then Saparmurad Turkmenbashy inquired about the progress of the preparations for the spring sowing and about the lives of the population. In connection with this the heads of regional administrations gave the president short reports.

"This year the regions face complicated and crucial tasks," President Saparmurad Turkmenbashy pointed out. "Our goal is to resolve them successfully. It is necessary to take all measures to fulfill the most important task—providing the population of the country with flour produced from grain grown on Turkmen soil."

The Turkmen president sharply criticized a certain slowness in the organization of spring field works in the regions and set specific tasks for speeding this up. Saparmurad Turkmenbashy emphasized that the task of growing potatoes is important for every farm in the regions. It is necessary to give it due attention and make use of all the opportunities, he said.

Over more than three years of independence much has been done in Turkmenistan, the number of projects being built in cooperation with foreign firms is growing, and some of them have started production, thus making their contribution to the development of our economy. Apart from this the authority of Turkmenistan is growing on the international arena. But there is still much work ahead. President Saparmurad Turkmenbashy of Turkmenistan reminded the heads of regional administrations that they should do this with a feeling of high responsibility in order to achieve the tasks set.

Free Economic Zones To Attract Foreign Capital

LD1703164495 Tashkent BIZNES VESTNIK VOSTOKA in Russian 17 Mar 95 p 2

[Unattributed article: "Turkmenbashy Protects Property"]

[FBIS Translated Text] In accordance with the resolution by President of Turkmenistan Saparmurad Niyazov, foreign investments and the property and capital of foreign investors are under the protection of the state. Bodies of state power and administration are forbidden to introduce any restrictions on the right to use the property and capital of investors except in cases stipulated by law. Financial deposits, shares, securities, and other payment facilities belonging to foreign investors cannot be subject to restrictions from Turkmenistan's banks. Apart from this, free access will be guaranteed to foreign investors, who have funds in the banks, to the country's internal currency market. They are guaranteed the top priority right to use money earned in the national currency to purchase goods and products for unlicensed export from Turkmenistan.

Free economic zones have been created in the republic with the aim of attracting more foreign capital. Foreign investors operating in the free economic zones have the unrestricted right to transfer, deposit, and export currency. Enterprises in which foreigners hold more than 30 percent of the authorized capital have privileges as regards profits tax for 16 years. Moreover, profits reinvested in sites in the zone are excluded from the taxation base. For the first five years of an enterprise's activities in free economic zones, there is a 50 percent discount on property tax. Foreign partners of joint ventures are exempt from paying tax on the transfer of profits abroad. All economic entities within the free economic zones are fully exempt from rent for land until 1996 and exempt from profits tax for three years.

Uzbekistan

President Karimov Receives IMF Official

LD2003151695 Tashkent Radio Uzbek Network in Uzbek 1300 GMT 20 Mar 95

[FBIS Translated Text] Today, President Islam Karimov received (Lev Hansen), an adviser to the IMF's Second European Department. At the meeting, the further development of cooperation between Uzbekistan and the IMF was discussed. Deputy Prime Minister Bakhtiyar Khamidov and Mulladzhonov, chairman of the republic's Central Bank, took part in the meeting. (Salkay), head of the IMF local representative office in Uzbekistan, attended the meeting.

Moldovan Delegation Signs Economic Agreements

AU2003173995 Chisinau BASAPRESS in English 1930 GMT 18 Mar 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 18/3/1995—The 1995 trade agreement between Moldova and Uzbekistan and 17 other economic documents were signed during a visit by a Chisinau governmental delegation to Tashkent between March 13 and 17, Valeriu Bobutac, minister of economics, said at a press conference today. He also said that in the last four years that not a single agreement on economic cooperation was concluded between Moldova and Uzbekistan, despite the fact that the Moldovan Government asked the Uzbek authorities for cooperation many times. Also, Bobutac said that Moldova is interested in Ubekistan exporting to Moldova cotton for the light industry. According to the 1995 trade agreement, Moldova will import from Uzbekistan 5,000 metric tons of cotton, silk, technical lubricants exporting in exchange over 1,000 tractors, pumps, medicines, canned meat, molasses and other products. The Ministry of Economics said that Moldova and Uzbekistan will open commercial representations, sign agreements on supporting reciprocal investments, coordinate customs activity, and set up joint ventures. Uzbekistan's share in Moldova and Uzbekistan amounting to $3.1 million while in 1992 it stood at $16.3 million. Uzbek firms owe Moldovan enterprises about 800 million Russian rubles, including 650 to Dniester enterprises.

Foreign Trade Ministry Reviews Work in 1994

LD2103101895 Tashkent PRAVDA VOSTOKA in Russian 21 Mar 95 p 1

[Unattributed article: "Actively participating in the referendum"]

[FBIS Translated Text] "The main task determined for us in the report by President Islam Abduganiyevich Karimov at the first session of the Supreme Assembly is to promote in every way possible the deepening of reforms and to search for new ways of increasing democratic Uzbekistan's trade links in international markets by changing our approaches," said Utkur Sultanov, deputy prime minister and minister of foreign economic relations, speaking at a full meeting of the ministry's Collegium.

Participants in the meeting discussed the tasks of foreign trade organizations in light of decisions made by the session and summed up the results of the ministry's activities in 1994. In particular they stressed that sociopolitical development in the country over recent years allowed Uzbekistan to establish mutually advantageous relations with the world community with investments in several large industrial projects such as Zarafshan-Newmont, reconstruction of the Ferghana oil refinery, and the equipment for the Karaulbazar oil refining complex. At present our country has trade agreements with 130 countries on every continent.

The full meeting of the Ministry of Foreign Economic Relations Collegium unanimously supported the decision of the first session of parliament on holding a referendum on 26 March on extending the term of President Islam Karimov until the year 2000 and appealed to all citizens of the country to take an active part in it.

The appropriate resolutions on the matters discussed were adopted.

Karimov Greets Nation on Navruz Holiday

LD2103112095 Tashkent NARODNOYE SLOVO in Russian 21 Mar 95 p 1

[FBIS Translated Text] Dear compatriots: The great holiday, Navruz, is coming to our land.

Navruz is the holiday of Spring and beauty, youth and renewal.

Our ancestors named the month of Navruz the great month or the month of hopes, and there is great sense in this, because at this beautiful time the new working season begins for receiving a rich harvest. It is not only nature that is awaking, but also people's hopes, and people's souls are cleansed.

Navruz has been the holiday of goodness, love, and humanity for our people since the earliest times.

One of our people's great traditions is to visit and help those who need spiritual and financial support during this holiday.

Slights and quarrels are forgotten, nations and peoples unite, mutual love reigns, and great things are planned during this holiday.

As the people say, life is an invaluable, but precisely measured gift from God, and a man who performs good deeds is repaid a hundredfold. We all know well that wealth and power come and go, but a good name, good deeds, and good memories from a true man remain.

Today every honest man wants peace in our land, people to be calm, each family strong, the table in each home to be abundant, and every man happy.

This is the basic aim and significance of our current policies, directed toward the good of the people, and of everything that is done to raise the consciousness of the people, restore national values, rebirth and the traditions inherited from our ancestors which deserve to be continued.

Only then will we achieve our goal, if mutual goodwill increases from day to day, justice reigns in society and honesty and virtue become the norm of life.

Let me at this festive time express one more thought. On the eve of the referendum—a nationwide vote—people are openly and clearly expressing their attitude to our current policies.

We are living through a complicated period of transition. Our people are patiently and courageously enduring the difficulties and deprivations with their cohesion and like-mindedness.

I rate highly the trust which people have in our state policy and also the people's support for my work. I bow my head before their majesty, the people. And at these sacred festive moments I want to say from the bottom of my heart: I am ready to devote my whole self and, if necessary, to lay down my life for my people!

Dear friends, may the steps of Navruz in our land be blessed this year! May love, goodwill, happiness, peace and unity reign in every home! May we have success in all our noble deeds!

Armenia

Stockholm OSCE Conference on Karabakh Cancelled

LD2003133995 Moscow INTERFAX in English 1116 GMT 20 Mar 95

[FBIS Transcribed Text] Yerevan, Mar. 20 (Interfax)—The Stockholm conference on a Karabakh settlement in the framework of the OSCE peacekeeping mission, planned for March 20, has been cancelled, Interfax was told at the Armenian Ministry of Foreign Affairs.

The source informed that the meeting had been postponed on Azerbaijan's request due to the political instability there.

Commentary Views Turkish-Armenian Relations

954F1752A Yerevan VREMYA in Russian 11 Mar 95 p 3

[Article by Valeriy Aydinyan: "Where Is the 'New Line' Directed?"]

[FBIS Translated Text] **The Turkish press has by its sudden loquacity put the Armenian authorities in a tricky position. To refute the assertions concerning unofficial backstage negotiations would be to offend the Turkish side or, perhaps, afford it a pretext for even more candid memoirs. To remain silent would be to express agreement and thereby afford grounds for new critical articles both in the country and outside. It is for this reason, most likely, that the "refutation" concocted in the spirit of the unlamented "TASS statements" was born.**

Without going into the heart of the matter, the material of the Turkish press is called "ravings," which only people with a "sick imagination" could believe. Which was precisely what was done by TASS, from whose statements it was impossible, more often than not, to understand what, in fact, was being maintained by the cross-border opponent and what, specifically, was being refuted. Terms characteristic more of medicine than policy were employed also. That is, even in their "refutation" the makers of foreign policy did not risk broaching a single specific issue raised in the Turkish newspapers. And it is unclear what should be believed by people with a sick, and what, with a healthy, imagination.

Meanwhile, despite the temporizing silence of Yerevan officials, the Turkish news media's "Armenia campaign" maintains its dynamism and intrinsic logical crux. This, in turn, has galvanized long-standing arguments concerning orientations, patriotism and cosmopolitanism, and other important matters. And the idea of "spiritual slavery" and certain communist chimeras, which are pushing our sovereign, free country into the embraces of Russia, with its imperial appetites, is, by degrees, being propounded once again.

It is a serious issue, and should hardly, even in polemical fervor, be transferred to the plane of emotions, medical diagnostics even less. There should, however, be some talk about common sense. Some people consider a commitment to Russo-Armenian ties some atavism or even a kind of religion, and religion is not, as we know, susceptible of logical comprehension. Meanwhile, if we really leave aside all kinds of emotional and irrational aspects, the gravitation toward Russia in pure form testifies to the practicalness and common sense of our people and an absence of recklessness in their character.

What is the basis for such an assertion? Theoretically, Armenia could pursue an independent policy, adhering to equal, balanced relations with all countries. But only theoretically. For the practical implementation of this theory it would be essential to have, at a minimum, an outlet to the sea and to be self-sufficient in grain and fuel. But even with these and a number of other just as fantastic conditions, we would still be a small country whose destiny was closely interwoven with the destiny of powerful neighbors or directly dependent on them. And if it seems to some people that in having torn ourselves away from the influence of one power the country would not immediately come under the influence of another, they are profoundly deluded. Under our conditions and in our situation this is impossible. Consequently, we need to have a realistic idea of our possibilities and to attempt to live independently under just these conditions.

The old question: Russia or Turkey, East or West, is once more revived here inasmuch as there is as yet no other way. The question sounds even more precise as follows: Where will we acquire more independence—in the sphere of Russian or Turkish influence? Russia, like any other great power, does, of course, have its particular features, which have to be reckoned with. But one really needs to have a "sick imagination" to accuse Russia of all mortal sins, of the genocide in 1915 included. And this odd line in the treasure house of our "political thought" does exist. It remains a fact, however, that "Turkish Armenia" does not exist, and other peoples are fighting for our historic land, as for their motherland, today. "Russian Armenia" as part of the USSR was a prosperous republic with quite a high living standard.

This was yesterday, and today? Today Russia and Armenia have common interests in the region. And, essentially, since the acquisition of sovereignty Russia has taken no flagrant steps against Armenia and has not interfered in our internal affairs, displaying a tact and delicacy disproportionate to its importance and strength. This does not mean that this is how things will continue to be. We do not know what will be but we know that we can, in any event, reach agreement—we have immense experience of communication, relations are lively and effective, and we are close in terms of our history, religion, culture, common wars, and common victories and defeats.

The sole advantage that Turkey has as a potential ally is a common border. But all the other circumstances turn even this advantage into its opposite. Let us assume that

Turkey is not what it was in 1915, although there are no miracles. Let us assume that this is a different, Europeanized country, although Europe itself does not think so. And what, would it talk with us as equals? Never. Strictly speaking, we are not even speaking yet, but we are already unequal. We have still not established diplomatic relations. Turkey has impudently slammed in our face the gate to the greater world. But it is already threatening, already dictating and making demands. In addition, it is already interfering in our internal affairs. It is no longer any secret today, I believe, that, figuratively speaking, it was Turkey that suspended the activity of the ARFD [Armenian Revolutionary Federation Movement] and broke up its press. And what if the little Armenian bird were to catch if only one claw in the Turkish trap? If our economy were to depend on the Turkish economy?

Give over Karabakh to the Azerbaijani authorities, having, in addition, liberated Shusha and Lachin. Forget 1915 forever. This is already being heard in the gentlemen's set of Turkish claims. In time, of course, Turkey would want Megri to link not so much north and south as west and east. And us to little by little force the Russian troops out of the country and from the border also, of course. To establish control over our army and arms. And then, perhaps, we should have to damage relations with Greece and Cyprus and, on the other hand, establish relations with the island's Turkish "republic" and so forth. Mental deficiency? Of course. But why should mental deficiency not be expected of a country that has yet to purge itself of the filth of genocide. It would be good also were it itself to govern, not farm this out to its vassal—Azerbaijan.

This is mental deficiency, of course, but merely by virtue of its reckless and impracticable nature. The clumsy attempts to show that it is a question of diplomatic games fool no one. We are talking about a strict choice. And even with very great desire, such a choice cannot hold up. Georgia also, in any form, will return to the zone of Russian influence. Azerbaijan also, most likely, and also in any form. Nor with us, aside from anything else, would the people permit outrageous treatment of their history. And the influence of bleating on the minds of contemporaries should not be exaggerated. Nor will the fact that the Dashnak Party was blocked in good time help. A blunder was made generally with the Dashnaks, of course. A ruling party does not become more attractive merely because on the eve of elections it outlaws a strong rival and shuts down its press. In addition, certain fundamental ideas of the Dashnaktsutyun are by no means the intellectual property of this party but belong to the people, and rootless propaganda workers will not succeed in extirpating them.

The time of home canning is past. The people are tired of experiments on themselves. "Political realism" based on mercantilism and biological instincts has already plunged the country into the mire of corruption: It has given rise to the mass exodus of the vigorously capable population. Foreign policy, indulging the passions of petty shopkeepers and cosmopolitans of the new formation, is threatening new upheavals. The ideologists of the "new line" most likely have their reasons, their understanding of the people's interests. But will the people once again allow themselves to be herded by nightsticks into the paradise that has been depicted? A paradise, the keys to the gates of which are kept in the Turkish pocket, what is more.

Ter-Petrosyan, Afghanistan's Rabbani Hold Discussions

NC2003142895 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 1633 GMT 19 Mar 95

[FBIS Transcribed Text] Yerevan ("HAYASTANI HANRAPETUTYUN" daily), 03/19/95—An Armenian delegation, headed by President Levon Ter-Petrosyan, returned from Iran on March 18 morning.

As we have already reported, the delegation left to participate in an opening ceremony of Bandar 'Abbas-Bafq railway station. In addition to this, President Ter-Petrosyan met in Bandar 'Abbas the President of Afghanistan Rabbani and thanked him for measures taken to prevent participation of mujahedins in the Azeri-Karabakh conflict.

Later in the evening, the Presidents of Iran and Armenia Hashemi-Rafsanjani and Ter-Petrosyan met in Kish, and discussed bilateral Armenian-Iranian relations, as well as other problems relating to their policy in the region.

Azerbaijani Shelling of Eastern Border Resumes

NC2003213595 Yerevan Radio Yerevan International Service in Armenian 2030 GMT 20 Mar 95

[FBIS Translated Text] The Armenian Defense Ministry press service reports that the Azerbaijani Army units again violated the peace on the northeastern Armenian-Azerbaijani border yesterday. They fired on the defensive positions of Chinari in Tavush between 1045-1130 and 1330-1410 using heavy machine guns and various other firearms. There were no casualties or material damage.

The republic's Armed Forces units retaliated and forced the enemy to cease firing.

According to the same source, the rest of Armenian-Azerbaijani border was calm last night and this morning.

The cease-fire was also observed on Karabakh fronts, according to reports by the press service of the Nagorno-Karabakh Republic Defense Army.

Economy Minister on Prospects for Privatization

LD2003110495 Moscow Mayak Radio Network in Russian 0900 GMT 20 Mar 95

[FBIS Translated Text] The second stage for widescale privatization of state property has begun in Armenia.

Our correspondent Kamun Khumaryan has interviewed the Minister of Economy Armen Yegiazaryan on its first results and prospects:

[Khumaryan] Mr. Minister, it is known that your ministry is the generator of economic transformations. What do your expect from them?

[Yegiazaryan] We are optimistic. We believe that we will complete a small-scale privatization by the middle of 1996. We will sell all the facilities. We will not leave a single one in state ownership. Speaking about wide-scale privatization: we are planning to privatize around 50 percent of all existing large- and medium-sized enterprises. In terms of working capital, it will come to 10 percent. The project is very ambitious. We have chosen a system under which an entire enterprise will be sold. Preference at the present stage will be given to voucher privatization. We are hoping that the process will succeed.

[Khumaryan] An average Armenian family consists of five people, or a maximum of six people. How large is the income of this family? Can we say that he would become a real property owner or would they just play in the property game?

[Yegiazaryan] We cannot seriously think that 10,000 people will have an impact on production. We need a senior strategic investor. In principle, they could count on gaining sufficiently high profits from the invested shares provided the enterprise is working successfully. World experience shows that there is an increase in the number of property owners. As a rule, the majority of the population earns their living not by investing but by offering their direct labor. Therefore, I do not think that everyone will turn into property owners and will be living on dividends.

[Khumaryan] Your opponents say that there is such a difficult political situation, almost a military situation, in Armenia that the privatization of large enterprises will mean signing your own death certificate.

[Yegiazaryan] This situation, in principle, will last for long. Armenia should develop under the conditions that exist. We are not planning a surge in privatization in strategically important areas. But we should not talk about privatization [word indistinct]. All of mankind is moving along this road irrespective of the conditions—irrespective of whether the outside circumstances are favorable or unfavorable. I do not think that this has strategic importance. We have chosen the only correct course.

Azerbaijan

Results of Summit in Islamabad Reported

NC2003173195 Baku TURAN in English 1335 GMT 20 Mar 95

[FBIS Transcribed Text] Baku (March 20) TURAN—The delegation of Azerbaijan at the summit of OEC [ECO—Economic Cooperation Organization] on March 14-15 held in Islamabad was headed by Foreign Minister Gasan Gasanov. The President Geydar Aliyev could not left for the summit due to the complicated situation in the country. The participants of the summit discussed the principal questions of the economic cooperation of the countries of the region. Four major documents were signed: on the creation the insurance company, joint aircompany, a single steamshiping company and the bank for development of OEC. The issues of peaceful settlement of the conflicts in Muslim regions were also discussed.

According to Gasan Gasanov the President of Turkmenistan Saparmurad Turkmenbashi expressed a will to visit Azerbaijan. During the talks of the Minister with the President of Iran Hashemi-Rafsanjani and Prime Minister Benazir Bhutto was noted the interest of these countries in the development of multilateral relations with Azerbaijan. According to Gasanov the results of the summit were very successful, the Muslim countries made one more step to the integration in the peacekeeping processes.

President Aliyev Comments on Police Rebellion

LD2003144395

[FBIS Editorial Report] Moscow NTV in Russian at 1800 GMT on 19 March carries a four-minute report by correspondent Mariana Maksimovskaya from Baku on the background to the attempted rebellion by police in Azerbaijan last week, with recorded segments of a statement by President Geydar Aliyev. She reports that President Aliyev said he had been expecting some sort of incident: Aliyev says: "Over the past month or month and a half, rumors were spreading fast that around Novruz, our national celebration on 21 March, there would be a state coup in Azerbaijan; some rumors even had it that it would be attempted by 17 March."

Over the past two or three years, the OPON, or Special Purpose Police Detachment, has not been obeying the authorities, Maksimovskaya says, adding that during the previous putsch in October of 1994, it took two days to convince Javadov to go over to Aliyev's side.

President Aliyev continues: "It is true that he disclaimed responsibility to some extent for those events at the beginning of October 1994. He was involved in this, this attempt at a state coup; this was obvious and well known. But of course, he had help."

Politicians, businessmen, and the mafia are said to have been among the forces helping him, each with their own goals in mind, Maksimovskaya said.

"What is really amazing," says Aliyev, "is that these forces occupy completely opposite positions: for example the supporters of Mutallibov [president of Azerbaijan 1990-92] and [former Prime Minister] Surat Guseynov, who have now joined forces and are also trying to change the leadership in Azerbaijan and representatives of parties and movements, including, I believe, the People's Front, who you would say are hostile to these emigre forces."

The situation will not be used for settling personal accounts, the reporter quotes the president as saying. She adds that about 3,000 people attended Rovshan Javadov's funeral on Saturday.

Aliyev Thanks Military for Suppression of Trouble

NC2003180095 Baku TURAN in English 1312 GMT 20 Mar 95

[FBIS Transcribed Text] Baku (March 20) TURAN—On March 19 President Aliyev conducted the meeting concerning the events of March 17 in Baku. He said that on March 17 by 8 a.m. the agreement on laying down arms was reached with the leadership of the OPON [Special Purpose Police Detachment]. However, the situation that night worsened. President Aliyev said that night the OPON planned the seize the governmental buildings and to commit the coup.

The heads of the Defense Ministry and the Commanders of the military units said during the meeting that the OPON units launched several attacks on the posts of the governmental troops, but they were stopped and returned back to the base. After there was the alarm and the governmental troops were transported to the base, where on 4 a.m. the fierce fighting began.

President Aliyev informed the servicemen about his meeting with the U.S. Ambassador, Richard Kauzlarich. "The U.S. Deputy Ambassador, Robert Finn assured that the OPON raised the white flag on March 17 at 10.30 a.m., but the governmental troops did not suspend the military operation", President Aliyev said. Azeri President also said that on March 17 at 8 a.m. the Ambassador of Turkey, Altan Karamanoglu, called him and said that Javadov intends to surrender to the authorities. "I told him that in this case he must raise the white flag. After that nobody called me", President Aliyev mentioned.

The Defense Minister, Sefer Abiyev, the Chief of the General Headquarters, Najmeddin Sadikov, the Commander of the regiment, Rovshan Akperov, the Chief of Baku's military school Kovalyev and his Deputy Ramadanov told that the white flag was raised only at 11.30 and until that time the OPON did not stop the fire.

President Aliyev specially thanked those officers for successful operation aimed at suppression of the military mutiny.

Deputy Prosecutor General, Eldar Gasanov, said that according to the latest data 38 people died with 4 women and 2 teenagers among them. 69 people were wounded and 22 of them are non-combatant civilians. He also said that the majority of the rebels, including Rovshan Javadov's brother Mahir, run away. He said that has become possible with the support of the several agents of law enforcement bodies. "The investigation must found those persons and bring them to justice", Gasanov said.

President Aliyev mentioned that Rovshan Javadov was the instrument in the hands of the definite circles and the special services of the foreign states are also involved in the latest events in Azerbaijan. "We know that the citizen of Turkey, some Farman-bey, was one of the Advisors of Rovshan Javadov". He works in the Supreme Soviet", President Aliyev added. Azeri President also said that several opposition forces and leaders, including Tofik Kasimov (the former Foreign Minister) supported Rovshan Javadov and that is why they also bear responsibility for the bloodshed. "These persons must face the court together with the rebels", President Aliyev mentioned. In the face of the OPON we destroyed the most powerful anti-governmental group, but the threat to the state system of Azerbaijan is yet to be liquidated", Azeri President said.

"The opposition is also to blame for the spilled blood. This criminal force drove the persons like Rovshan Javadov to the crimes", he added. President Aliyev mentioned that the case is not over and called upon the law enforcement bodies to investigate the state crime and find the adversaries of Azerbaijan's state system inside, as well as outside of Azerbaijan".

Aliyev: Turkish Minister Involved in Incidents

NC2003220895 Ankara TURKISH DAILY NEWS in English 17 Mar 95 pp 1, A8

[FBIS Transcribed Excerpt] Ankara—As tensions mount in Azerbaijan with a continuing mutiny by elite Interior Ministry forces (OMON) [Special Purpose Military Detachment], President Geydar Aliyev has warned that the country is on the brink of a civil war.

Aliyev, speaking on national television on Wednesday [15 March] night after three days of unrest in Azerbaijan, said deposed Deputy Interior Minister Rovshan Javadov, who also heads the rebel OMON forces, was trying to stage a coup d'etat, local sources told the TDN. [TURKISH DAILY NEWS]

"Azerbaijan is again on the brink of civil war... He (Rovshan Javadov) and his brother have turned the Azeri crack police forces into their own field camp. If the Javadovs do not lay down their arms, the full severity of the law will be used against them," he said.

Aliyev said blood had been shed in the disturbances, but gave no details.

Meanwhile the Azeri president, in a phone conversation with Prime Minister Tansu Ciller on Tuesday night, accused a Turkish Cabinet minister of being involved in the Baku unrest, informed sources have told the TDN.

Aliyev told Ciller that Javadov's forces were in close contact with "ultranationalist circles" in Turkey and that the accused minister was a figure close to those circles and the rioters in Azerbaijan, they said. However, the minister's identity was not disclosed.

A few hours after Aliyev's televised speech, government troops using grenade launchers attacked the barracks of rebel OMON forces, news agencies reported on Thursday. [passage omitted]

Azeri Ambassador in Ankara Mamed Novruzoglu Aliyev said on Thursday that the powers trying to create instability in Azerbaijan actually aimed to disrupt the oil deal.

Turkish officials are in constant contact with Aliyev and are following developments closely. Turkey on Wednesday called for a peaceful solution to the conflict.

Most of Baku was quiet on Thursday despite extraordinary security measures, local sources said. Traffic on several main thoroughfares was halted, but the subway was working and many people went to work as usual.

Azerbaijan's opposition parties, in separate declarations on Thursday, condemned the revolt by OMON forces, saying the action was aimed against democracy and the country's stability.

Meanwhile, Western oil executives said on Thursday that unrest in Azerbaijan should not threaten a multibillion dollar deal to develop oil fields in the Caspian Sea, REUTERS reported. "I do not see any connection between this and the oil and gas industry. It is an internal struggle between groups in the system," said one Western oil company official, reached by satellite telephone in the Azeri capital Baku.

Azerbaijan last September signed a $7.4 billion contract with an international consortium to develop three big Caspian fields, with estimated recoverable reserves of between 400 million and 520 million tonnes of light crude oil.

The consortium, led by an alliance of British Petroleum and Norway's Statoil, also includes Turkish Petroleum.

Other members are U.S. firms Amoco, McDermott International, Pennzoil and Unocal, Britain's Ramco Energy, Saudi Arabia's Delta Nimir and Russia's Lukoil. Azerbaijan is represented by the state oil company SOCAR.

"All the people in Azerbaijan, even opposition party leaders, now know that this contract is super-important for the country," said a Western oil executive in Moscow.

Mutalibov, Guseynov Make Statements on Baku Events

NC2003173595 Baku TURAN in English 1312 GMT 20 Mar 95

[FBIS Transcribed Text] Baku (March 20) TURAN—Ex-President of Azerbaijan, Ayaz Mutalibov, and ex-Premier, Suret Guseynov, issued the statement due to the fact that President Aliyev accused them of involvement in the coup attempt on March 17, 1995 and their relations with the former Commander of the OPON [Special Purpose Police Detachment], Rovshan Javadov. The statement was signed by the Chairman of the "Civil Union" organization Mutalibov and the General Secretary of this organization Suret Guseynov, Azerbaijan's editorial staff of radio "Liberty" reports.

"All tragic events in Azerbaijan beginning in 1988 were inspired by Geydar Aliyev in order to return to power," the statement reads. The authors of the document mention that despite the hopes of the common people, the crisis in all spheres of Azerbaijan's life deepens day by day after President Aliyev's coming to power. The struggle for power and spheres of influence among the mafia groups in the leadership of the country leads to the armed conflicts.

"The bloody events of March 14-17 were the logical continuation of the provocation carried out by President Aliyev early September-October 1994", Ayaz Mutalibov and Suret Guseynov recall. They say that last autumn the conflict was created artificially: the General Prosecutor, Ali Omarov, in his televised statement accused Javadov brothers of murder of the Vice-speaker of the Parliament, Afiaddin Jalilov, and the Chief of the Special Presidential Department, Shamsi Rahimov. "This provoked conflict the leadership wished to suppress in blood. However, Suret Guseynov was against that. The blood was spilled by the governmental troops and blame for that conflict in Ganja was shifted on Suret Guseynov. He was relieved of his post of the Prime-Minister."

The blood is spilled again. The OPON, which sustained losses fighting for the territorial integrity, was again in the trap.

"Another stage of President Aliyev's policy aimed at annihilation of Azerbaijan's state, surrender of lands to the enemy and taking revenge on for the its own nation, has come true", the document mentions.

The statement assures that "in March and May 1992 Ayaz Mutalibov left his office in order to avoid the bloodshed and fratricidal war. The power of Geydar Aliyev and Rasul Guliyev based on the blood will not last long".

Mutalibov and Guseynov presented their condolences to the nation due to the national tragedy on March 17.

They said that Geydar Aliyev's and Rasul Guliyev's clan deals with the embezzlement of the country and sends those money abroad. "We call upon the nation to be vigilant", the statement reads.

The "Civil Union" called on Azeri President to refuse from scenarios of coups and pass to the policy of national reconciliation in the name of the Motherland.

"If the leadership avoids the political struggle within the framework of the law and continues campaign of aspiration and provocation, the responsibility for the serious consequences of such policy will be placed on President Aliyev and his supporters", the statement mentions.

Ex-President Elchibey Comments on Baku Events

NC2003174995 Baku TURAN in English 1312 GMT 20 Mar 95

[FBIS Transcribed Text] Baku (March 20) TURAN—"Internal fight of one of the representatives of power against the others cannot be considered as an attempt of coup d'etat." According to him, the same events took place in October 1994, and the same is taking place now. "The demand of the Deputy Minister Rovshan Javadov on the retire of the government should not be treated as the coup, it is the fight among the high echelon of one and the same power," noted Elchibey.

Ex-President consider that the withstanding should be resolved peacefully. "Why the conflicts in Nagorno-Karabakh, in Chechnya should be settled peacefully, and the conflict with OPON [Special Purpose Police Detachment] should not?" noted he. He wondered why despite hundreds of victims, as the result of the operation carried out against OPON, the Milli Mejlis ignored the demand of the democratic forces to discuss that matter at the session of the parliament.

Police Detain Leader of Opposition Party

NC2003175095 Baku TURAN in English 1312 GMT 20 Mar 95

[FBIS Transcribed Text] Baku (March 20) TURAN—On 18 March the police of Yasamal district detained the Chairman of Azerbaijan's Democratic Party of Owners [businessmen] (ADPO) Mahmud Mamedov. According to press-secretary of ADPO Aziza Ahmedova, Mahmud Mamedov was released only on March 19 after the President Heydar Aliyev became aware of that fact. "It is good that the president became aware of that and put an end to injustice, we hope that he will not let to defy the democracy in the country." The same source refuted the information that Mahmud Mamedov has left the country.

Mahir Javadov, brother of the rebel Rovshan Javadov, was the Head of the Independent Trade Unions of Owners of the country, which enter many businessmen and commersants-members of ADPO of the country. At the session held in the presidential office headed by the President Geydar Aliyev on March 17 there were appeals "to clarify the matter with the ADPO and to find out the ways of illegal financing of OPON [Special Purpose Police Detachment]."

It is also known that Mahmud Mamedov (just like the Javadov brothers) is the ardent opponent of the speaker of the Parliament Rasul Guliyev. Earlier Mahmud Mamedov accused Rasul Guliyev in closing the independent TV channel BMTI which was financed by independent businessmen.

Javadov's Men Detained After Funeral

NC2003172995 Baku TURAN in English 1335 GMT 20 Mar 95

[FBIS Transcribed Text] Baku (March 20) TURAN—After the funeral of the rebellious Colonel Rovshan Javadov, the police detained approximately 50 persons, who took part at the mourning ceremony, the mothers of those detained persons told Turan. They also said that the police detained young persons from Lachin and Kubatli regions of Azerbaijan (Motherland of Javadov).

Presel Visit to Azerbaijan Assessed

954F1767A Baku ZERKALO in Russian 11 Mar 95 p 11

[Article by T. Kasimova: "J. Presel's Visit to Azerbaijan: Reconsideration of Position, Reconnaissance, or Lesson?"]

[FBIS Translated Text] *An official communique on the results of a trip to the region of the Armenian-Azerbaijani conflict by J. Presel, permanent representative of the United States in the OSCE's Minsk Group, has yet to be published. Only the first series of negotiations—their Azerbaijani stage, so to speak—has taken place. But even now the Azerbaijani press is commenting in lively fashion on J. Presel's trip.*

It is clear, first and foremost, that the United States' particularly active participation in the peacemaking process is not to be expected: A decision on the actual composition of the OSCE peacekeeping force and the participation in it of an American contingent has yet to be adopted. A Karabakh version of Desert Storm is not to be expected either. The now-traditional assurances of support for the peace process in Karabakh, guarantees that J. Presel's visit to Khankendi does not signify recognition of Karabakh as an independent state, and advice to Azerbaijan that it agree to compromise—and that is all. The meetings both with G. Aliyev and G. Gasanov were held behind closed doors, and at the news conferences J. Presel confined himself merely to general phrases. This is explained, most likely, by the purpose of the visit itself: to familiarize himself with the situation in the region and to present the corresponding report to the U.S. State Department. But the question of what the United States is seeking in the region and of what was behind J. Presel's visit remains open.

It has to be considered first and foremost that some of our politicians and journalists expect of such visits more than these diplomatic actions can produce. Thus the United States will display a certain cautiousness, lest it come to be pulled into others' "showdowns." Especially since it is not burning with a desire to place its soldiers, be they in a peacekeeping contingent or a multinational force, in harm's way.

As far, however, as the United States' geopolitical interests are concerned, the "oil" factor and the "Iranian" factor and the resurrected "Russian" factor and the notorious "Islamic" factor will play their part here, but their significance should hardly be exaggerated. The United States needs Azerbaijan, not Karabakh as a part of it, and we shall have to defend our own territorial integrity ourselves. Counting on anything else would be foolish. The United States intends to defend here primarily its own interests, and it is they that dictate the actions of its official representatives. Which does not, it is true, prevent the U.S. Congress adopting decisions like Amendment 907, which is not, let us say, incontestable from the viewpoint of American interests.

Let us first see whether we are referring to the United States' strategic or tactical interests. Both could exert their influence on the situation in the region. Undoubtedly, under no circumstances is the United States interested in a strengthening of Russian or, even less, Iranian influence on the region. This fact should theoretically increase its interest in the development of relations with Azerbaijan. But in practice American politicians have still to be convinced that Azerbaijan is an ally in earnest and for the long haul and will not at the most critical moment desert to the side of Russia or Iran, even in spite of its own interests.

Both the granting of Iran a 5 percent share in the oil consortium and Azerbaijan's membership of the CIS could not fail to have been reflected in Azerbaijani-American relations—we are not talking about the justification of these steps from the viewpoint of the interests of Azerbaijan but merely about the possible reaction to them on the part of the United States. And it cannot be ruled out that the advice to "soften its position," "agree to compromise," and so forth was dictated not by the events in the immediate military theater but by certain steps of Azerbaijan with which the United States remains unhappy.

The main tactical interest of the United States, on the other hand, consists primarily of a settlement of the conflict, not a victory by one side at any price. J. Presel's trip was, as we have already said, of a fact-finding and reconnaissance nature. And, it is perfectly possible, was also aimed at ascertaining, if we may put it this way, the maximum diplomatic pressure that can be sustained by the parties to the conflict, Azerbaijan included. It is logical to assume that in this case the stronger pressure will be exerted on the more flexible party.

I should make clear immediately that all that has been said above is nothing more than a scenario and an assumption. It cannot be ruled out that the results of J. Presel's trip to Azerbaijan are not at all as pessimistic as represented by some journalists and politicians. It is simply that for certain reasons details of the accords that were reached are not being disclosed.

But regardless of the results, both visible and secret, of J. Presel's visit to Azerbaijan, one thing is clear: At a news conference at the U.S. Embassy both R. Kozlaric, ambassador of the United States in Azerbaijan, and J. Presel demonstratively distanced themselves from the not-unknown Amendment 907, more, they made no secret of their negative attitude toward it. The fact that the news conference was held not in Yerevan but in Baku undoubtedly made its mark. But so candidly expressed disagreement with the position of the U.S. Congress cannot be fortuitous: The United States is not Russia, where the mayor of Moscow may declare for all to hear that the president was in a fit of temper when he promised to dismiss two top officials. And if the U.S. ambassador demonstratively declares his disagreement with a decision of the U.S. Congress, this speaks volumes. Of course, it is hardly to be hoped that the United States will fight Armenia over Karabakh, but American politicians would hardly want to lose an ally in the shape of Azerbaijan.

As far as the recognition of Armenia as the aggressor and a state supporting international terrorism is concerned, Azerbaijan is entitled to expect these steps from the United States. They will follow in the future, possibly. But Azerbaijan will have to exert considerable effort for this.

New Party Chairman on Support for Aliyev

954F1766A Baku ZERKALO in Russian 11 Mar 95 p 8

[Interview with Abutalyb Samedov, chairman of the Alliance for Azerbaijan Party formed last November, by N. Aliyev; place and date not given: "It Is Hard To Support the President at This Time"]

[FBIS Translated Text] [Samedov] The decision to create the Alliance for Azerbaijan Party was adopted during last year's October events. We formed an organizing commission and held the party's constituent congress on 17 November.

The Alliance for Azerbaijan is a party of a liberal focus. Our main goal is the building of a democratic liberal society and a state in which each citizen has freedom, property, and security. But for this Azerbaijan has to be a truly sovereign, independent state. This is quite a difficult task, and to accomplish this all citizens must understand their responsibility. Much will depend on the head of state. We believe that this may be achieved only when an experienced, intelligent politician is the head of state.

The situation in Azerbaijan at this time is very complex, and supporting the president is not that easy.

[Aliyev] You say that an experienced, intelligent politician must be at the head of the state. Does this mean that the present president and his entourage are not to your liking?

[Samedov] We fully support the president and consider that it is impossible to tackle the questions confronting the republic without him. As far as the people working in the president's team are concerned, some questions arise here. But you will agree that there is no personnel policy that suits everyone.

[Aliyev] Are you planning subsequently to unite several parties?

[Samedov] We believe that the parties that are currently operating in the republic will have no choice but to affiliate with some stronger party. I am sure that our party will perform a pronounced role in the political life of the republic.

[Aliyev] How many members does your party have?

[Samedov] About 10,000. We have yet to be allocated premises for headquarters. When we have obtained premises and can operate normally, I am sure that the number of party members will increase.

[Aliyev] Why have you not yet registered?

[Samedov] There were checks in the Ministry of Justice following the events of 3-4 October. Justice Minister Ilyas Ismailov was recently dismissed. All this is dragging out our registration. But, nonetheless, I am sure that we will be registered soon, literally in a matter of days.

[Aliyev] There are many parties that were created long since, seven or eight months, a year, ago and they are still unable to register. Your party was formed last November, nonetheless, you maintain that the Alliance will be registered very soon. Is this a display of government support?

[Samedov] If the Ministry of Justice is not registering some parties, this means that the documents that were presented do not conform to legislation. According to the law on political parties, the republic Ministry of Justice must within a month either deny registration, giving reasons for its refusal here, or register a party. Sufficient time has elapsed since we presented the documents for registration, and they correspond to legislation. This is why I am so confident.

[Aliyev] Several months ago Rasul Guliyev, speaker of parliament, put forward his idea of the creation in the republic of a bicameral parliament, which was immediately condemned by practically all parties, except you. Is it for this reason, possibly, that you are called a pro-president party?

[Samedov] We make no secret of the fact that we fully support the president and his policy. As far as the idea of a bicameral parliament is concerned, I would like to say that the parties that opposed a bicameral parliament failed to convince us with their arguments. They say that a bicameral parliament is typical only of countries with a federal structure. But this is not the case. Such highly developed countries as Japan, France, Great Britain, Italy, and so forth are unitary and have a bicameral parliament.

I believe that Azerbaijan is suited more by a bicameral parliament. First, the parliament in France, the United States, the FRG, Japan, Britain, and Italy are bicameral, and their experience would be good for Azerbaijan.

Second, a bicameral character would help parliament discharge its functions better. The constitution points to the rights and duties of each chamber.

Third, a law adopted in the lower chamber is passed on for consideration to the upper chamber. If the upper chamber rejects the law, the bill is sent back. This is a procedure that leads to the adoption of more consummate laws and so forth.

[Aliyev] You make no secret of the fact that the Alliance for Azerbaijan is a pro-president party. But there are, after all, the New Azerbaijan Party, the Democratic Independence Party, and so forth, which cleave to the same positions. Was it necessary to create a new party? Perhaps it would have been better to have blended your forces with the existing parties and to have strengthened them in this way?

[Samedov] It would be imprudent and impossible to blend a party with such intellectual potential and a thousands-strong social base with some other party. As far as a bloc is concerned, we have already initiated its formation.

[Aliyev] Which parties will join it?

[Samedov] Negotiations are still being conducted.

[Aliyev] Nonetheless....

[Samedov] Well, it may be assumed that the Democratic Independence Party, the New Azerbaijan Party, and so forth will be a part of it.

[Aliyev] Are you confident that your party will obtain a sufficient number of votes at the elections?

[Samedov] Our party will be worthily represented in the new parliament.

[Aliyev] On what do you base this confidence?

[Samedov] In 1992 I was chairman of the Sumgait city organization of the National Independence of Azerbaijan Party and then deputy chairman of the ODMA (Association of Democratic Youth of Azerbaijan). So I know what parties and leaders are like here. Knowing our strengths, I tell you that we have a chance to occupy a worthy place. The Alliance will have a minimum of 10 deputies in the new parliament.

[Aliyev] But it is not yet known how many seats there will be in the new parliament altogether so whence so precise a forecast?

[Samedov] This is why I told you that 10 persons will be the minimum.

[Aliyev] What are your proposals in the socioeconomic sphere?

[Samedov] The socioeconomic situation in the republic is today very grim. The reason for this condition are the processes that began back in the 1980's. I refer to perestroyka. And, after it, the destructive processes continued. Starting in 1992, Mutalibov was ousted first, then Elchibey. The war has been going on for so many years now, and large amounts of territory have been lost. But this is not the fault of the president. As far as the economic reforms are concerned, I believe that it is essential that they begin as of 1995. We are late, of course. The Cabinet of Ministers should have dealt with this, and what it has been dealing with instead, we all know full well.

[Aliyev] At the start of our conversation you said that it is hard, difficult to support the president at this time. Why is it hard to support a president in his own country?

[Samedov] The leadership of our republic is faced with enormous tasks: to end the war, improve the socioeconomic situation, achieve Azerbaijan's real independence. If we sum up the results of 1994, it should be said that there were big successes. Our army showed its strength, and after the latest unsuccessful attempts on the part of the Armenians to capture new territory, a cease-fire agreement was signed on 10 May. At its summit in Budapest the OSCE adopted a decision of enormous importance. For the first time the Islamic Conference Organization adopted a resolution condemning Armenia as the aggressor. The oil contract (over which A. Mutalibov and A. Elchibey were ousted) was signed. An attempted coup d'etat was foiled. Illegal armed formations were disarmed. But the people do not know how hard it was to achieve all this. And the economic situation in the republic is deteriorating, and everyone believes that the president is to blame for this. The news media are operating appallingly inadequately. The ordinary people do not know how difficult things are for the president. This needs to be explained.

[Aliyev] So you consider it necessary to mount wide-ranging pro-president propaganda?

[Samedov] Yes, it is necessary to simply describe everything honestly.

National Assembly Debates Draft Tax Laws

954F1792A Baku AZERBAYDZHAN in Russian 11 Mar 95 p 2

[E. Suleyman, F. Arifoglu report: "'Hollow' Money Will Not Be Printed, Promises National Bank Chief E. Rustamov"]

[FBIS Translated Text] Five bills—on a property tax, a stamp tax, a final fee, royalties, and an export tax—and their significance were discussed at a meeting of the National Bank held on 9 March. It should be recalled that at the last meeting, when the budget was adopted, the set assignment was the presentation to parliament within two weeks' time of a package of these laws.

The bill on a property tax encountered rejection. The basis of the members of parliament's reasoning was the principle of the impermissibility of the introduction of a new tax under the conditions of the deterioration in the socioeconomic situation. As Dzh. Nuriyev, head of the parliamentary Commission for Budget Supervision, declared, there are no grounds for concern. According to him, this type of tax cannot be considered new since the bill was presented to the National Assembly back in 1993.

It is significant that means of transport also were taxed in accordance with the bill. Today, however, Dzh. Nuriyev emphasized, only private buildings are taxed in accordance with the "Property Tax" bill. Thus, for example, the owner of a three-room home valued at 20 million manat would have to pay a tax of 0.1 percent of this sum, which would be 20,000 manat a year. "This is not a very large amount," Dzh. Nuriyev emphasized.

And approximately 50 percent of the population, according to the head of the parliamentary commission, is, furthermore, exempt from the payment of tax altogether: families of martyrs, persons who took part in the elimination of the consequences of the accident at the Chernobyl Nuclear Power Plant, refugees, and so forth.

Developing this theme, Mr. Sh. Vekilov, head of the Chief State Inspectorate, did not fail to recall that taxes are not only a means of replenishment of the revenue side of the budget but also "exercise a control function in the economy." He announced that aside from the aforementioned list, the bills "Profits Tax" (new version) and "Inheritance Tax" had been devised for an improvement of the tax system.

The discussion of the situation in the financial sphere had to have touched on the question connected with the investors in Vakhid and similar financial structures.

Commenting on the situation in this sphere, Finance Minister F. Yusifov emphasized that these structures bore the responsibility for the current situation. He also added: "The activity of the so-called banks was built according to the pyramid principle." The state, the head of the financial department declared, bears no responsibility for this. "But the government should not then have closed its eyes to the swindling of its citizens," Deputy E. Mamedov responded to F. Yusifov's statement.

R. Guliyev, speaker of parliament, also expressed his attitude toward the questions that were being discussed. He, in particular, viewed the activity of the Vakhid Banking Company and similar structures as "playing on inflation." The start of 1994—a period of the accelerated devaluation of the manat—was the heyday of these companies. The authorities saw that they were profiting from inflation, but considered a resolution of the problem by administrative-command methods impossible. "A policy of stabilization of the manat was chosen as the sole method of struggle at that time," R. Guliyev said, "which has justified itself."

E. Rustamov, head of the National Bank, presented the dynamics of the rate of inflation in recent months. Whereas in December the level of inflation had reached

55 percent, in January it was 27.5 percent, and in February 12.5 percent, E. Rustamov reported. The National Bank is planning to bring inflation by the middle of the year to 5-6 percent and to have lowered it by the end of the year to 2-3 percent.

In the opinion of E. Rustamov, there are grounds for optimism: "real credit interest (22-25 percent) was positive in relation to the monthly rate of inflation" in February. Whereas 0.43 manat were given per noncash manat last July, 0.8 cash manat are given now, E. Rustamov gave as an example.

In the opinion of the head of the National Bank, the question of money issue has been fundamentally solved: "We will not print hollow money—hard currency will be the basis."

On 19 April, E. Rustamov announced, the IMF Board of Directors will consider the question of the allocation of the first $40 million tranche of credit.

As moved by the speaker, the bills will be revised in the commissions until next Tuesday and then re-presented to the National Assembly.

Also at this meeting the members of parliament ratified the treaty between the Azerbaijan Republic and the Russian Federation on the transfer of prisoners to serve their sentences in their own countries and the Convention on the Cooperation of Countries of the Black Sea Region in the Sphere of Culture, Education, Science, and Information.

Oil Plan Shortfall Blamed on Equipment

954F1789B Baku ZERKALO in Russian 11 Mar 95 p 2

[Unattributed article: "Oil Plan Not Fulfilled Because of Lack of Equipment"]

[FBIS Translated Text] Baku—During January-February the production association for production of oil and gas on dry land produced 270,770 tonnes of oil, which is 4.8 percent less than planned, and produced 41,319,000 cubic meters of gas, or 27.9 percent more than planned.

In the opinion of the association's general director, Faik Guseynov, the failure to fulfill the oil plan was linked to the fact that a considerable proportion of the oil equipment is obsolete and worn out, there are no spare parts for it, and none are expected. The repair has to be conducted exclusively at their own expense and through their own efforts. Through these efforts alone, in two months about 300 inoperative wells were restored: The rates of oil production are 91.4 percent of last year's and gas—102.2 percent.

As F. Guseynov reported, during the year it is planned to produce 1.76 million tonnes of oil and 200 million cubic meters of gas.

Specialists Anticipate Grain Price Increase

954F1789A Baku ZERKALO in Russian 11 Mar 95 p 1

[Unattributed article: "The Price of a Tonne of Grain Could Jump to 700,000 Manat"]

[FBIS Translated Text] According to preliminary calculations of specialists of the State Grain Products Concern, the price of a tonne of grain this year, taking all costs into account, might be no less than 700,000 manat or $150, and this, in turn, could be reflected in the formation of the price of bread.

These and other issues related to the forthcoming harvest campaign were discussed at an expanded meeting of the collegium of the State Grain Products Concern with the participation of leaders of procurement enterprises. Participants in the meeting devoted most of their attention to the question of organizing the branch's work in connection with the deregulation of grain prices and the new grain procurement prices.

As a KHABAR-SERVIS correspondent was told, it was especially emphasized at the conference that because of the higher prices of energy sources it would be necessary to reduce as much as possible the costs of harvesting, transportation, and procurement of grain so as not to raise the already high production cost.

State Grain Concern Raises Flour Prices

954F1789C Baku ZERKALO in Russian 11 Mar 95 p 9

[Unattributed article: "The State Grain Products Concern Has Raised Flour Prices"]

[FBIS Translated Text] The State Grain Products Concern has raised flour prices by almost 25 percent. As Arif Alizade, chief of the planning and financial department of State Concern, told a correspondent of the KHABAR-SERVIS agency, as of today a kilogram of wheat flour of the highest grade costs 790 manat, first grade—740 manat, and second grade—690 manat.

The price hike was brought about by the fact that the state discontinued financing of procurements by the State Grain Concern, insisting that the State Concern convert the manat proceeds from its products into hard currency and purchase grain with it.

"As of today a tonne of grain will cost us $130 or 585,000 manat. In order to produce one tonne of flour it is necessary to process 1,333 kilograms of grain. And if you take into account all the costs of processing the grain, the new flour prices will not even cover the production cost. At the same time, by raising flour prices we made it possible for the bakeries and combines, which had been operating at a loss until recently, at least partially to cover their costs," noted A. Alizade.

To the question of whether the increase in the price of flour will entail a corresponding increase in the price of bread the chief of the planning and financial department answered that the question had not yet been decided. "Perhaps we will keep the previous prices for now and cover all costs of baking bread with internal reserves so as not to exacerbate the population's already difficult situation. As concerns the sale of flour through state trade at prices below market, that is practically impossible since we and our enterprises are not able to provide a sufficient amount of it," A. Alizade emphasized.

Georgia

Grachev Arrives in Tbilisi for Working Visit

LD2003153895 Moscow INTERFAX in English 1401 GMT 20 Mar 95

[FBIS Transcribed Text] Tbilisi, Mar 20 (Interfax)—Russia's Defense Minister Pavel Grachev arrived on a working visit in Tbilisi Monday [20 March].

He told journalists upon landing at Tbilisi airport, he will discuss with Georgian leaders bilateral military and technical cooperation to ensure "common security in line with the CIS collective security treaty."

Grachev also indicated that he would negotiate with Georgian political and military leaders the possibility of signing a treaty on Russian military bases in that Caucasus republic and organizing a joint CIS anti-aircraft defense system.

An Interfax reporter has learned that ways of settling the Abkhazi conflict will be discussed at a meeting between Georgian leader Eduard Shevardnadze and Grachev, the latter took off for these talks right from the airport.

Also during his visit, he is to meet with the personnel and commanders of the Group of Russian Troops in the Caucasus.

Grachev on Talks With Shevardnadze

LD2003200995 Moscow INTERFAX in English 1735 GMT 20 Mar 95

[FBIS Transcribed Text] TBILISI, Mar 20 (Interfax)—Russian Defense Minister Pavel Grachev said in Tbilisi, "Georgia is a single state which could have a federative state system in the future."

Grachev said after his talks with Georgian leader Eduard Shevardnadze today that there was no question of discussing whether some part of Georgia may become a separate state.

Grachev stressed that this was not just his private opinion but the position of the Russian leadership. "I have personal instructions from Russian President Boris Yeltsin to discuss the Abkhaz problem with the Georgian leaders," Grachev added.

He said he believed that the previous moves for settling the Abkhaz conflict were "not quite a success." Grachev said he had brought with him Moscow's proposals on resolving the problem. Grachev said that he and Shevardnadze had already decided what joint moves for settlement in Abkhazia should be.

Grachev said that Russia and Georgia had also discussed the possible conclusion of a treaty on creating Russian military bases on Georgian territory. He said the presidents of the two countries were expected to sign this treaty and agreements on Russian-Georgian military and military-technical cooperation. Grachev said the parties had discussed creating a single air-defense system in the Trans-Caucasus as well.

Sources close to the negotiators told Interfax that one of the main problems for signing the agreement on Russian military bases in Georgia was that Georgia made a condition of the settlement of this issue the resolving of the conflicts in Abkhazia and North Ossetia. Tbilisi has insisted on more active Russian participation in settling the conflicts. In particular, the Georgian leadership said it was in favor of refugees returning to Abkhazia as soon as possible. Tbilisi said Moscow could act as a guarantor for the return of refugees.

Moscow and Tbilisi also discussed the future status and terms of existence of Russian military bases in Georgia. Russia proposed that the treaty could be concluded for 25 years. Georgia is in favor of a shorter term.

The same sources told Interfax that Russia and Georgia had not yet agreed on the amount of compensation to Georgia for the stationing of Russian military bases on its territory.

Russia is likely to create three military bases in Georgia: in Voziani, Akhalkalaki and Batumi. Moscow is also going to preserve the paratrooper regiment in Gudauta.

Opposition Demands Halt to Talks

LD2103111995 Moscow INTERFAX in English 1036 GMT 21 Mar 95

[FBIS Transcribed Text] TBILISI, Mar 21 (Interfax)—Five opposition factions of the Georgian parliament demanded Tuesday [21 March] that the talks with a Russian military delegation led by Defense Minister Pavel Grachev be terminated and that the delegation be ousted from Georgia.

Radical deputy Irakly Tsereteli also demanded that all agreements with Russia be annulled and the conclusion of an agreement on the establishment of Russian military bases in Georgia be prevented.

Chairman of the parliamentary commission for national security and defense Nodar Natadze, who also represents the opposition, told Interfax that "the talks between Shevardnadze and Grachev cannot be considered legitimate, because they are being held disregarding parliament's opinion."

He stated that "the majority of the Georgian population is categorically against any presence of Russian troops in

Georgia." "I'm convinced that the Georgian parliament will not ratify a single agreement reached by Grachev and the current Georgian leaders," he said.

Russian General Denies Failing To Ensure Ghali Security

LD2003205495 Moscow INTERFAX in English 1735 GMT 20 Mar 95

[FBIS Transcribed Text] Sukhumi, Mar 20 (Interfax)—Commander of the Russian Peacekeeping Forces in the zone of the Georgian-Abkhaz conflict, Lieutenant-General Vasiliy Yakushev denied accusations against peacekeepers stating that "they are allegedly failing to ensure the security of the residents of the Ghali Region of Abkhazia and are failing to prevent the penetration of armed formations into the zone controlled by peacekeepers."

Yakushev said in his statement declared in Sukhumi today that the accusations had appeared as a result of the Abkhaz law enforcement's operation due to the deterioration of the criminal situation in Ghali on March 12-13. "There were incidents involving armed attacks, kidnapping Georgian civilians and moving them to the Zugdidi Region of Georgia," Yakushev said.

He said the implementation of this operation had not been coordinated beforehand either with him or with Georgia.

Yakushev said information on "taking more than 100 civilians as hostages, 20 of them allegedly killed, and burning down 30 houses" was an invention. He said, "we established that all 191 detainees except for eight persons had been freed and that there were three Abkhaz police officers and 11 local residents among those killed," Yakushev said.

He said the accusations against peacekeepers proved that there were "political forces trying to wreck the peace settlement of the Georgian-Abkhaz conflict and undermine the confidence of the local population in the Russian peacekeeping mission."

He said peacekeepers did not have the right to interfere with the actions of the local law enforcement in Ghali and Zugdidi.

Yakushev told Interfax that withdrawal of the peacekeeping forces from Abkhazia could provoke "a true war." He said he believed that the peacekeeping forces were the only guarantor of peace in the conflict zone.

Shevardnadze Denies Discord With Ajarian Leader

LD2003212095 Moscow INTERFAX in English 1757 GMT 20 Mar 95

[From the "Presidential Bulletin" feature No. 52 (796): compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] On Sunday [19 March] afternoon, Georgian leader Eduard Shevardnadze visited the Ajarian capital of Batumi, where he held a confidential meeting with Ajarian leader Aslan Abashidze which lasted for more than two hours.

After the talks Shevardnadze told journalists that the talks were "rather fruitful", but did not reveal the details.

Shevardnadze welcomed "considerable progress" in the Ajarian economy after Batumi was proclaimed a free economic zone two months ago.

He stated that reports about serious disagreements between the Georgian and Ajarian leaders were "untrue".

Shevardnadze Calls for 'Strong, Centralized Authorities'

LD1903144695 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 19 Mar 95

[FBIS Translated Text] A Forum of Citizens of Georgia opened at Tbilisi Opera House yesterday [18 March]. Representatives of various ethnic groups residing in Georgia were invited to the forum. Accounting for a need to stage the forum, the Union of Citizens of Georgia said that the time has come to care about ethnic minorities residing in Georgia and give them an opportunity to participate in building the state.

However, quite expectably, the forum did not limit itself to this issue. Lengthy discussions were held about the current social and political situation in Georgia, as well as the ethnic conflicts. Representatives of ethnic minorities named a strict system of a presidential power that meets required standards as the principal condition for improving the situation.

An extensive speech by Eduard Shevardnadze focused on achieving stabilization in the country, adopting a new constitution, and holding elections. Our future constitution has to be up to European standards, and I believe that this will be the case; if we manage to create strong centralized authorities, we will have the guarantee for Georgia's unity and strength, said Eduard Shevardnadze.

The forum session was attended by representatives of foreign embassies accredited to Georgia.

Shevardnadze Gives Weekly Radio Interview

LD2003150295 Tbilisi Radio Tbilisi Network in Georgian 0632 GMT 20 Mar 95

[Regular weekly interview with head of state Eduard Shevardnadze by correspondent Nato Oniani in Tbilisi on 20 March—live or recorded]

[FBIS Translated Excerpt] [Oniani] Good morning. We present a radio interview with Eduard Shevardnadze, chairman of the Georgian parliament and head of state.

Mr. Shevardnadze, while analyzing the past week's economic developments, we probably have to take into consideration the fact that the distribution of privatization vouchers will begin in about two weeks' time, as well as your recent meeting with Georgian bankers. About a year ago, four formerly state-owned banks became independent in compliance with your edict. Since then, the four banks—the New Georgian Bank, Agrobank, Eximbank, and Housing and Social Bank—have been carrying out their activities in absolutely different conditions. They finance important projects, seek partners, and are committed to serious business, I would say.

[Shevardnadze] Thank you. I will try to offer you a brief review of major developments in this sphere. The past week was rather a busy one. The positive background and symptoms of changing for the better have become even more perceptible. This should lay a basis for the economic revival of the country.

The results of the Copenhagen summit have been attentively analyzed in Georgia like anywhere else in the world. We have to look back at this summit and at the documents adopted there every now and again. The summit has once again demonstrated the stand taken by the world's progressive forces. All changes and all reforms are directed toward the well-being of every human being and each citizen, nation, and country of the planet. At the same time, it is necessary to set an appropriate political climate, to curb aggressive separatism—which has already become a recognized problem—and to settle moot points peacefully. If this is accompanied by reforms carried out reasonably, the problems worrying the world at present—I mean the mass starvation and poverty that I spoke about during our previous conversation—as well as wars and social cataclysm will gradually be eradicated.

Georgia is facing serious economic problems, and their successful settlement is in direct relation to the success in implementing reforms, their pace and scale, and the choice of a proper way to implement them.

The IMF mission completed its work last week. Its task was to analyze the implementation of macroeconomic stabilization and system restructuring—that is, an anti-crisis program. It is nice that they appreciate the positive shifts taking place in Georgia and in its economy, especially those intended to strengthen the coupon, to shape the budget, to speed up the pace of privatization, and so on. However, there are serious remarks, and we will speak about them.

More attention will be paid to social issues at further stages of the reform. This is essential. However, the issues will be viewed from a different angle. In particular, the state will be committed to promote the process of citizens becoming proprietors.

Each citizen should find his own place in the process of developing the economy, and each citizen should be provided with conditions enabling them to secure a normal life by means of the results of their own work.

A realistic step will soon be taken in this direction. I mean the issue of proprietorship. An edict has been issued by the head of state about mass distribution of vouchers. The vouchers have been printed. Every citizen, all the residents of Georgia, will get their share in the state property. There are, indeed, various views about our model of distributing vouchers. My personal view is that this way of distributing vouchers will help the citizens to become proprietors. Private property, as a very powerful incentive for production, will promote the shaping of the share market and will give a positive impetus to the reform—that is, the process of the revival of the economy.

At the same time, I would like to say that citizens also know little about the process of distributing vouchers. To that effect, I would like to set a task for the Cabinet of Ministers and the appropriate ministries and agencies. I would like to request the Teleradio department to conduct daily programs explaining to the viewers what the vouchers are, what they give to the citizens in effect, and how they can participate in the process.

A civilized economy needs a civilized banking system. A lot has been done, in fact, to implement a reform in the banking system. You remember that there have been many debates on the issue, but I believe that our course is right. The flotation of the state-owned and commercial banks has been completed. A very interesting team of young, well-educated, professional bankers has emerged. These bankers have managed to implement significant and perceptible changes in the sphere. A fresh trend can be noticed at present. Banks and bankers are striving towards integration, amalgamation. [passage omitted]

It is impossible to expect large investments without having large and modern banks. We need banks capable of securing appropriate partnership with foreign partners. Of course, small banks will also have their place and role in the banking infrastructure. Small banks need large amalgamated banks as guarantors of their survival and even as partners.

The implementation of the republic's budget still faces difficulties. There are certain difficulties in the sphere of revenue collection. This, for its part, impedes financing of planned expenditures. By 16 March 1995, the total of 26 trillion coupons constituted the revenues of the republic's budget at the accounts opened at Georgian National Bank. Of this sum, 9 trillion coupons have been received as grants, and 12 trillion coupons were credited to the budget from the system transformation loan allocated to Georgia. This has been done in accordance with the head of state's edict issued on the basis of an agreement with the IMF.

I would like to draw your attention to the fact that, excluding the above-mentioned credits and grants, a total of only trillion coupons has been received in the budget as tax or non-tax revenues—that is 37 percent of the envisaged total. This points to a complicated situation in mobilizing state incomes and to the helplessness of some state government structures. There was talk on this issue at the Cabinet of Ministers. So far, however, we have not moved far from words. This demonstrates that efforts to better mobilize budget revenues should be doubled by the tax inspectorate, customs, and banks. I would also add the law-enforcement bodies.

The situation is that complicated because a significant number of industrial and economic organizations still do not run. Some of them work at a low capacity, and their output is small. It should also be noted that the budget does not receive large sums because debtor consumers delay payments or because the payments are stopped in banks. [passage indistinct due to break in reception]

[Oniani] Mr. Shevardnadze, was your sudden visit to Ajaria yesterday occasioned only by a wish to see the free economic zone?

[Shevardnadze] It should not have been very unexpected. Generally, visits to any region of your own country should never be regarded as unexpected. I revealed my impressions about Ajaria to television and radio journalists last night. Representatives of some of our newspapers were also present. This conversation took place in Batumi late last night. They will presumably use what Mr. Aslan Abashidze [chairman of the Ajarian Supreme Council] and I said before TV cameras. [break in reception]

[Oniani] [passage indistinct] Their duty is to protect peace there. The situation is incomprehensible because this does not abide by Russia's latest stand and commitments at all—at least by what the Russians claim publicly to undertake.

[Shevardnadze] The public discontent and the protest you have mentioned are justified. I would like everyone to note that there is a serious inconsistency between the course taken by the Russian authorities and the practical activity of the Russian peacekeeping forces command.

I made an official statement yesterday that was conveyed to many information centers of the world and has already been used by them. I defined the events that took place in the Gali District, executing people by shooting and ravaging the population as the continuation of the policy of genocide and ethnic cleansing. I also said that the patience of the people is not unlimited, and neither is the patience of international organizations, the CIS member states, and the Russian authorities unlimited. What happened in Gali is a direct provocation aimed to create a crack in Russo-Georgian relations. The separatists pin big hopes on this.

The authorities of the two countries are firmly committed to settling conflicts in Georgia promptly because this is in the interest of both countries. I believe we will accomplish the goal.

[Oniani] Last week, the Union of Citizens of Georgia staged the first serious forum of ethnic minorities residing in Georgia. It was called the Forum of Citizens of Georgia. The natural equilibrium and the line Georgians had always implemented with regard to other ethnic groups—a compassionate, tolerant, and friendly attitude—was regrettably lost during a definite period of our country's modern history. Indeed, it was not a unilateral action. There were many and frequent provocations from the other side. However, I will point out to you that we are to take up the bulk of the commitments, since we are a more populous nation and since we constitute the state.

[Shevardnadze] I believe this forum is the beginning of fresh relations between nations, peoples, and the citizens representing different ethnic groups. We will be able to build a happy and democratic state only if Georgia becomes an actual homeland for the citizens of all nationalities and ethnic groups. This was the main topic of the forum. Commitments before the country—human rights protection, participation in managing the state, and concern about unity and integrity—were the motifs of almost all the speeches at the forum. This is what assures us that we will soon be able to overcome the shortcomings and imperfection characteristic of the Georgian way of life during the past few years.

[Oniani] Russian Defense Minister Pavel Grachev is to arrive in Tbilisi today. What practical issues are to be dealt with during his visit?

[Shevardnadze] First, I would like to welcome Mr. Grachev's visit to Georgia. I would also like to specify that it was back in Almaty—I mean my meeting with Mr. Yeltsin there—that we agreed about a visit by the Russian defense minister. The spectrum of the issues to be considered is versatile and will include principles of military cooperation between the two countries and the exchange of experience and prospects of strategic cooperation. We will certainly focus on the issue of settling the conflicts. Mr. Grachev fully shares the Russian president's stand with regard to a prompt settlement of the Abkhaz-Georgian and Ossetian-Georgian conflicts and Russia's role and commitments on the issue. I believe the meeting will be highly significant. I know that our people are expecting the effect of the meeting to be significant and not disappointing.

[Oniani] Finally, this question: The situation in the former Soviet republics is rather tense, including in Kazakhstan, where President Nazarbayev dissolved the parliament. You presumably know that several deputies are staging a hunger strike there because of this. Belarusian President Lukashenka openly appeals to the parliament to make the decision on its self-dissolution if the deputies still want to retain a slight respect for the population. There is an impression that parliamentarism cannot prove to be efficient in post-Soviet countries. Is that because these countries have experienced a long period of the totalitarian rule?

[Shevardnadze] There might be many reasons. I would like to say a few words, however, about the two specific cases. As far as I understand, President Nazarbayev had no particular problems with regard to this decision. I do not know what will happen in Belarus. To my knowledge, the reaction of the population to President Nazarbayev's decision was absolutely normal. Since this is the case, I believe that no comments are required on the issue. Fresh elections are probably to be held, and the elections will bring fairer results.

[Oniani] Thank you. You have listened to Mr. Eduard Shevardnadze, chairman of the Georgian parliament and head of state.

Energy Crisis Continues

LD2003142495 Tbilisi IPRINDA in Russian 1000 GMT 20 Mar 95

[FBIS Translated Text] Tbilisi [no date as received]—An operational meeting was held at the Sakenergo [Georgian energy] department on 20 March. The meeting heard that electricity generation was 600-700 megawatts at present. Only one generating set was operating at the Tbilisi district power station.

As regards the Inguri hydroelectric power station, its current condition requires an immediate shutdown of one of its units.

Unless electricity generation increases in the near future, the Tbilisi metro will have to be closed.

Estonia

Foreign Minister Addresses Paris Meeting

WS2103102995 Tallinn BNS in English 1900 GMT 20 Mar 95

[FBIS Transcribed Text] Paris, Mar 20, BNS—The European stability pact is an exercise for Estonia through which the country can demonstrate its willingness and capability to work together to resolve legacies from the past which until now have remained open, Foreign Minister Juri Luik said in remarks at the opening day of the pact's conference in Paris.

He said that for Estonia, the pact already had helped create more favorable conditions for resolution of the border issue with Russia.

"We very much appreciate the European Union's eagerness to help us resolve this dispute," Luik said. He added Estonia was hopeful that a new border treaty, based on respect and internationally recognized frontiers, would soon be ready for inclusion into the list of bilateral agreements attached to the pact.

The foreign minister in his remarks cited the integration of populations of foreign origin as one of the Estonian government's highest priorities.

He quoted U.S. Vice President Al Gore who, while on a brief visit to Tallinn last Monday, had set Estonia's integration policies up as an example for others.

"Clearly, our policy of integration is on the right track, and furthermore is an important factor for stability in the region," Luik said.

He hailed willingness by the EU, demonstrated through the stability pact, to help with concrete integration programs, several of which had already found PHARE [Poland and Hungary Action for Restructuring the Economy] funding.

The foreign minister said Estonia viewed the pact as an open-ended exercise which can be buttressed by new agreements, ideas and efforts.

Tarand on Border Negotiations with Latvia

LD2003212295 Moscow INTERFAX in English 1757 GMT 20 Mar 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] [no dateline as received] The Estonian Prime Minister Andres Tarand and the Latvian Prime Minister Maris Gailis will instruct experts to determine special zones, two to five miles wide, where Estonian border guards would not detain Latvian fishermen.

Prime Minister Tarand told Interfax in Tallinn that the agreement was achieved at negotiations with his Latvian counterpart last week.

The Estonian Prime Minister said that the zones would be in effect until a treaty on the sea border was signed.

"Latvia and Estonia are prepared to resolve that problem already this year", Prime Minister Tarand said.

Tarand said that the sea border was one of the worst controversies in bilateral relations.

He recalled that the escalation of tension between Latvian fishermen and Estonian border guards began after Tallinn unilaterally established its sea border. Riga disagreed with it, although it has not established its border on the sea yet.

Tarand emphatically opposed attempts to deal with controversies from the position of strength, which would seriously undermine the image of the Baltic countries.

"Both countries may settle their controversies and preserve their authority if they strictly adhere to the agreements achieved in Tallinn" Prime Minister Tarand said.

New Parliament Elects Reform Party Member Speaker

WS2103121195 Tallinn BNS in English 1000 GMT 21 Mar 95

[FBIS Transcribed Text] Tallinn, Mar 21, BNS—The new Estonian parliament at its first session on Tuesday [21 March] elected Reform Party MP Toomas Savi as its speaker.

Savi received 52 votes, while his rival candidate, the Right Wingers' Ulo Nugis, got 48.

One hundred of the legislature's 101 members were took part in the voting.

Savi, a leading member of Siim Kallas' Reform Party, was last posted as the deputy city mayor of Tartu.

The ballot indicates support drawing away from the election-winning alliance of Coalition Party and Rural Union (KMU), who according to press reports were supporting Nugis under what the reports said was a tentative coalition plan agreed by KMU leader Tiit Vahi and Nugis' Right Wingers.

Edgar Savisaar, the leader of the Center Party, and Arnold Ruutel, leader of the Rural Union, were proposed to be the vice speakers.

The KMU has 41, and the Right Wingers, five seats in the parliament.

The first meeting of the parliament was opened by President Lennart Meri, who in his remarks pointed out the importance of having the best people in government jobs.

Meri also thanked the country's voters for big turnout in the March 5 general elections, saying the poll showed the people's wish to strengthen Estonia's statehood.

The text of the MP's oath was read by the parliament's oldest member, Kaljo Kiisk, and then signed by the MPs.

Also the outgoing government was to formally submit its resignation to the parliament during the day.

Tarand To Address Parliament, Resign Government

WS2103103195 Tallinn ETA in English 1854 GMT 20 Mar 95

["News Release"]

[FBIS Transcribed Excerpt] At the first session of the new Riigikogu [parliament] on Tuesday [21 March], Prime Minister Andres Tarand will address the parliament and announce about the resignation of the government, ETA was informed by the government press service.

According to the law on the Estonian Government, the old government will continue work until the new government enters upon office. The outgoing government should avoid solving any questions which increase the state budget expenses without any urgent need.

The authority of the government of Andres Tarand expires at the moment the new government takes an oath in front of the Riigikogu. [passage omitted]

On March 21, the parliament members will take an oath and will elect Riigikogu Speaker and two deputy Speakers from among themselves.

KMU, Reform Party Continue Coalition Talks

WS2103102895 Tallinn BNS in English 1600 GMT 20 Mar 95

[FBIS Transcribed Text] Tallinn, Mar 20, BNS—The election-winning Coalition Party and Rural Union (KMU) alliance at talks on possible Cabinet formation with the Reform Party, second-largest in the new parliament, has not proceeded to the stage of sharing out minister portfolios, Reform Party board member Heiki Kranich said.

"For us, agreements on policy principles are more important than minister portfolios," he told BNS on Monday [20 March], adding that no documents had been signed during the talks.

A leading member of the KMU, Vahur Glaase, told BNS on Friday his alliance and the Reform Party had discussed documents which he said "could already be called a coalition agreement."

Kranich on Monday said the parties in the talks had finished coordinating their positions with respect to that document.

"There are differences in the understanding of several issues, but the possibility does exist that common ground will be reached," Kranich told BNS on Friday.

Before the talks began, Valve Kirsipuu, deputy chair of the Reform Party, told BNS that her party wanted to get at least five ministerial portfolios in the new Cabinet.

But she didn't specify which posts the party was aiming at.

The KMU has 41, and the Reform Party, 19 seats in the country's 101-seat legislature.

Daily: Reform Party To Form 'Alternative Coalition'

WS2103102795 Tallinn ETA in English 0815 GMT 21 Mar 95

[From 21 Mar RAHVA HAAL, pp 1-2; "News Bulletin" No. 58/95]

[FBIS Transcribed Text] Today's RAHVA HAAL claims on its first page that Reform Party leader Siim Kallas has turned his back to the Coalition Party and Rural People's Union (KMU) at the Centrist Party leader Edgar Savisaar's insistence and is forming an alternative coalition with partners from "The Moderates," "Fatherland" and Centrist Party.

Edgar Savisaar and Siim Kallas had a meeting yesterday evening and expressed satisfaction with the results, declining however to make further comments.

A meeting between KMU leader Tiit Vahi and Centrist Party Vice Chairman Andra Veidemann took also place yesterday, the discussion focusing on government coalition and Riigikogu [parliament]. Centrist Party MPs elected Rein Karemae for the chairman of their parliament faction. According to the party's press service the Centrist Party is satisfied with the current stage of coalition negotiations, considering the talks with the Reform Party promising but keeping the door open to KMU also.

Minister Liia Hanni from the Moderates said their representatives had meetings with all political powers in the new parliament, with the Centrist Party among them. "At the moment everybody is meeting everybody", Hanni said.

Siim Kallas tells in his interview in today's RAHVA HAAL that "Fatherland," Centrist Party and Moderates have proposed to Reform Party to form a government coalition. Kallas leaves all doors open, admitting that such a union is possible but saying it is too early to talk about the outcome of the proposal. He notes the point that in the alliance with KMU the Reform Party would have the role of the younger brother, but in the alternative coalition the party would have the main role, with Kallas as the Prime Minister's candidate. Asked about the Reform Party's relations with the "Rightwing" Kallas admitted his party had suffered strong criticism from that direction, but declared to have enough tolerance in him to cooperate also with this political power.

Kallas told the negotiations with the KMU were still in process, but he was not sure of the outcome, having to consider the opinion of a large part of their voters who would not approve of KMU and this partnership. He agreed that KMU forming an alliance with the "Rightwing" complicated the scene further and created some distrust. Kallas also reminded of the situation last autumn when at the time of a government crisis his name was put forward for the Prime Minister's post and Coalition Party refused even to negotiate the matter.

Lithuania

Baltic Defense Chiefs Discuss Cooperation

LD2103123395 Tallinn Radio Tallinn Network in Estonian 1800 GMT 20 Mar 95

[FBIS Translated Excerpt] In Vilnius, the commanders of defense forces of the Baltic states today began a two-day working meeting to discuss military cooperation between Estonia, Latvia, and Lithuania. The meeting between Major General Aleksander Einseln, commander of the Estonian Defense Forces; Lieutenant Colonel Juris Dalbins, commander of the Latvian National Armed Forces; and General Jonas Andriskevicius, commander of the Lithuanian Army, is focusing on developing military cooperation between the three Baltic states. [passage omitted]

The leaders of the Baltic defense forces are discussing the improvement of communication systems between the defense forces of the three countries, the current state of the Baltic peacekeeping battalion, and the training of the defense troops in order to take part in exercises within the framework of the Partnership for Peace program.

First of all, the Baltic states are interested in taking part in the NATO naval exercises Baltic Operations, which are held every summer on the Baltic sea. The Baltic states want to set up a joint naval unit for taking part in these exercises.

Defense, NATO Officials Discuss Partnership for Peace

LD2003160095 Vilnius Radio Vilnius Network in Lithuanian 1400 GMT 20 Mar 95

[FBIS Translated Text] Defense Ministry spokeswoman Zegeriene has reported that consultations among NATO officials and Lithuanian Defense Ministry officials took place at the ministry today. Deputy Defense Minister Colonel Jonas Gecas chaired the event.

Lithuania's participation in planning and [word indistinct], which is an integral part of the Partnership for Peace program, was discussed at the meeting.

A report presented by the Lithuanians on joint defense policy and the participation of the Lithuanian Army in training and operations carried out within the framework of the Partnership for Peace program was assessed by the NATO International Council [as heard]. The next round of consultations is to take place at the NATO headquarters in Brussels at the beginning of May.

Vilnius Awaits EU Response on Associate Membership

LD2003211795 Moscow INTERFAX in English 1744 GMT 20 Mar 95

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] Vilnius, Mar 20 (Interfax)—Before the week ends it will be clear whether Lithuania will sign a treaty on associated membership in the EU, Albinas Januska, Foreign Ministry secretary (IF Note: effectively ranking as a deputy minister) who heads the Lithuanian negotiating team in talks with the EU, told Interfax Monday [20 March].

He said that the treaty had been drafted back in February but the EU wanted Lithuania to legalize the right of foreigners to land ownership and lift the restrictions on foreign investments in certain economic sectors.

Januska explained that because the adoption of appropriate legislation would take months, Vilnius had undertaken to have the legislation passed in order to accelerate admission to the EU.

He said that a response to that proposal would reach Vilnius Thursday. If the EU is satisfied with Lithuania's commitments, the treaty would be initialed in the coming months.

Lithuanian Foreign Minister Povilas Gylys said at a news conference several weeks ago that the treaty on associated membership of the country in the EU could be signed next May or June.

Foreign Minister on Stability Pact, EU Prospects

LD2103122095 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 20 Mar 95

[FBIS Translated Excerpt] Lithuania, like other countries of Central and Eastern Europe, participates in the Pact on Stability in Europe as a state which has a prospect of becoming a member of the European Union, according to Foreign Minister Povilas Gylys, who is heading Lithuania's delegation in Paris at the final conference of the Pact on Stability in Europe. [passage omitted]

Speaking after the adoption of the Pact, Povilas Gylys said that Lithuania's signature under this document and the association treaty with the EU will start a new stage in Lithuania's relations with the European Union. The minister drew the attention of the participants of the from that direction, but declared to have enough tolerance in him to cooperate also with this political power.

Kallas told the negotiations with the KMU were still in process, but he was not sure of the outcome, having to consider the opinion of a large part of their voters who would not approve of KMU and this partnership. He agreed that KMU forming an alliance with the "Rightwing" complicated the scene further and created some distrust. Kallas also reminded of the situation last autumn when at the time of a government crisis his name was put forward for the Prime Minister's post and Coalition Party refused even to negotiate the matter.

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A report presented by the Lithuanians on joint defense policy and the participation of the Lithuanian Army in training and operations carried out within the framework of the Partnership for Peace program was assessed by the NATO International Council [as heard]. The next round of consultations is to take place at the NATO headquarters in Brussels at the beginning of May.

Vilnius Awaits EU Response on Associate Membership

LD2003211795 Moscow INTERFAX in English 1744 GMT 20 Mar 95

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] Vilnius, Mar 20 (Interfax)—Before the week ends it will be clear whether Lithuania will sign a treaty on associated membership in the EU, Albinas Januska, Foreign Ministry secretary (IF Note: effectively ranking as a deputy minister) who heads the Lithuanian negotiating team in talks with the EU, told Interfax Monday [20 March].

He said that the treaty had been drafted back in February but the EU wanted Lithuania to legalize the right of foreigners to land ownership and lift the restrictions on foreign investments in certain economic sectors.

Januska explained that because the adoption of appropriate legislation would take months, Vilnius had undertaken to have the legislation passed in order to accelerate admission to the EU.

He said that a response to that proposal would reach Vilnius Thursday. If the EU is satisfied with Lithuania's commitments, the treaty would be initialed in the coming months.

Lithuanian Foreign Minister Povilas Gylys said at a news conference several weeks ago that the treaty on associated membership of the country in the EU could be signed next May or June.

Foreign Minister on Stability Pact, EU Prospects

LD2103122095 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 20 Mar 95

[FBIS Translated Excerpt] Lithuania, like other countries of Central and Eastern Europe, participates in the Pact on Stability in Europe as a state which has a prospect of becoming a member of the European Union, according to Foreign Minister Povilas Gylys, who is heading Lithuania's delegation in Paris at the final conference of the Pact on Stability in Europe. [passage omitted]

Speaking after the adoption of the Pact, Povilas Gylys said that Lithuania's signature under this document and the association treaty with the EU will start a new stage in Lithuania's relations with the European Union. The minister drew the attention of the participants of the conference to the rapprochement of Lithuania and Poland as well as constructive cooperation with Belarus.

Povilas Gylys also met U.S. Assistant Secretary of State Peter Tarnoff in Paris on Monday and discussed the issue of NATO expansion. [passage omitted]

President: Rightists' Support For Chechnya Annoys Russia

LD2103114095 Vilnius Radio Vilnius in Lithuanian 2200 GMT 20 Mar 95

[FBIS Translated Text] Speaking on Lithuanian radio in his regular Monday [20 March] interview, President Algirdas Brazauskas reproached the leaders of the right-wing opposition parties for trying to satisfy their political ambitions at the expense of Chechnya. According to the president, it also demonstrated their wish to tease Russia.

It can bring nothing but trouble to Lithuania, Algirdas Brazauskas stressed. According to the president, the Seimas must also be aware of this while light-heartedly discussing draft resolutions and declarations on Chechnya.

The president said that the aspiration of the right-wing opposition that Lithuania should recognize the independence of the Chechen state as soon as possible caused surprise. According to the president, there was a time when [former president] Vytautas Landsbergis could have easily done this, yet he did not do it for some reason or other.

Algirdas Brazauskas said that Lithuania as a Catholic country sympathized with the suffering Chechen people, and first of all the children. However, the president noted that Lithuania should also take care of its own unfortunate children. He recalled that there are 20,000 orphans in Lithuania. The president pointed out that a policy based on arrogance is not at all promising,

Slezevicius Receives Russian Community Leaders

LD1703212695 Moscow INTERFAX in English 1856 GMT 17 Mar 95

[FBIS Transcribed Text] Vilnius, Mar 17 (INTERFAX)—Lithuanian Premier Adolfas Slezevicius today received the leaders of the Russian Community of Lithuania, one of the most popular public organizations in the republic, uniting local residents of Russian origin.

The Lithuanian government's press service told Interfax that Slezevicius had welcomed the initiative to create a cultural center and a Russian library for the Russian community in Vilnius. He said the broadcasting by the Russian Mayak radio station and some programs of the Russian Ostankino TV Company could be renewed in Lithuania. Days of Russian culture in Lithuania will be marked in the Baltic republic in October.

Chairman of the Russian Community of Lithuania Petr Frolov told Interfax that the meeting with Slezevicius was constructive.

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